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Japan

Nakayama To Replace Kaifu on Middle East Trip

Eight-Day Visit Planned

OW1308130590 Tokyo KYODO in English 1236 GMT 13 Aug 90

[Text] Tokyo, Aug. 13 KYODO—Foreign Minister Taro Nakayama said Monday he expects to leave Friday on an eight-day visit to Saudi Arabia, Egypt, Jordon, Turkey, and Oman to consult with his counterparts on how Japan can best cooperate in international efforts to deal with the current crisis.

"Japan wants to contribute to the restoration of peace to this region as soon as possible," the foreign minister said in a press conference.

Nakayama is going to the Middle East in place of Prime Minister Toshiki Kaifu, who announced earlier in the day the postponement of his scheduled tour of the region until early October.

Kaifu is sending Nakayama to map out Japan's response to the volatile situation in the region in the wake of Iraq's invasion and occupation of Kuwait, government officials said.

He told reporters that following the rapid turn of events in the Middle East, Kaifu decided it would be best for him to remain in Japan in order to direct the formulation of Japan's response.

A top Foreign Ministry official said with international attention now focused on the region, Kaifu will be expected to squarely address how Japan plans to tackle the crisis. Japan has not reached that stage yet, he said.

Nakayama's visit is in part geared at facilitating the decision-making process, the official said, speaking to reporters on condition of anonymity. That is not to imply, however, that Japan plans to hold off any initiatives until Kaifu's rescheduled visit in October.

At the press conference Nakayama indicated that in his talks with the foreign ministers of the five Middle East countries he would convey Japan's willingness to extend special economic assistance to those countries most adversely affected by the crisis.

The top ministry official, meanwhile, said Japan could extend emergency medical assistance, including personnel as well as materials, to certain countries in the event that the Middle East conflict escalates.

A list of possible areas of contribution is expected to be completed by the Foreign Ministry by the time Nakayama departs on his Middle East tour, he said.

Nakayama said without elaboration that Japan wants to contribute to an international undertaking in a manner which would serve to maintain peace and stability in the region.

But the top official, pointing to constitutional constraints, ruled out a "direct military role" for Japan, even the dispatch of medical personnel from Japanese Self-Defense forces.

The official was noncommittal on the question of Japan's extending financial assistance to a multinational military operation to enforce U.N. sanctions against Iraq and defend Saudi Arabia.

The government, he said, "would have to consider the matter cautiously, with a view to the Constitution."

The top official said Japan could extend economic assistance to such countries as Turkey, Jordon, and Egypt, which have gone along with U.N. sanctions against Iraq in spite of the detrimental effect on their economies.

Japan also would consider what initiatives it could take toward other countries in the region, he said.

He was believed to be referring to oil-rich Saudi Arabia and other Arab states along the Persian Gulf.

The official said Japan, as a member of the industrialized community of nations, has a role to play in the maintenance of global peace and stability.

"Japan's sense of responsibility is being questioned," he said.

'Dilemma' of Trip Viewed

OW1308170690 Tokyo KYODO in English 1522 GMT 13 Aug 90

[By Jocelyn Ford]

[Text] Tokyo, Aug. 13 KYODO—Shortly after Japanese Prime Minister Toshiki Kaifu postponed his long-planned visit to the Mideast on Monday, Chief Cabinet Secretary Misoji Sakamoto spoke to the political dilemma the trip has posed.

Kaifu, seeking to bolster Japan's image as an international power, planned the Mideast trip—the first by a Japanese prime minister in 12 years—to be a friendship mission aimed at boosting his visibility in the region.

Now, with Mideast hostilities increasing by the day, Japan would have to deliver more than friendly words or risk a political backlash, Sakamoto said.

"If (Kaifu) were to go to the Middle East as planned, he would provide encouragement, but it is better to do something more substantial," he said.

"Words are clouds but deeds are rain," he said, citing an Arab proverb.

Sakamoto's remark underscores Japan's dilemma in the shadow of an international crisis.

Some political analysts said postponing the trip shows Japan is woefully ill-prepared to respond quickly to international crises.

A government more experienced at international leadership, they said, might have attempted to turn the crisis into political gain, devising a new Mideast mission for Kaifu aimed at helping to resolve the crisis and quash international criticism that Japan, while economically powerful, is politically week.

"We now realize that Japan lacks crisis management and the ability to gather information on the Near East and Europe—we don't have enough people," said one senior government official.

Mitsuru Uchidam, professor at Waseda University, said: "If the Japanese Government had some constructive ideas, then it would have been good for Kaifu to go. But the Japanese Government itself is rather indecisive because it is just following the United States and Europe."

But other political analysts said once Iraqi tanks stormed across the Kuwait border August 2, Kaifu was thrust into a no-win situation—at risk politically if he were to have pressed ahead with the trip and open to criticism for staying home.

Some said Kaifu had no choice but to cancel, saying there is not much any nation could do at this point to ease the crisis, especially a power like Japan, which is unexperienced in the region and lacking in military might.

"When there is some possibility of military confrontation, Japanese diplomacy won't work at all," said Takeshi Sasaki, professor at the University of Tokyo.

"Some people will criticize Kaifu, but they will also criticize the Foreign Ministry," said Uchida, chief of Waseda University's Political-Economic Department.

He said it is customary for political leaders to carry out Foreign Ministry policies. "It was necessary for Kaifu to take the advice," he added.

Last week, Japan, known for its laborious, consensus-style decision-making, surprised some observers when it promptly announced it would join the U.S. and the European Community (EC) in imposing sanctions against Iraq, rather than wait for a decision by the U.N. Security Council.

This time, however, Deputy Chief Cabinet Secretary Nobuo Ishihara said it could take up to two months for Japan to draw up a master plan for its contribution to restoring peace in the region.

Japan's response is limited, he said, citing constitutional restrictions on dispatching military personnel to join a planned naval blockade.

Japan has previously contributed to U.N. peacekeeping operations, but national sentiment remains staunchly against any activity remotely reminiscent of World War II overseas military action.

It is not immediately clear how Kaifu's schedule change would impact his political standing among Japanese citizens.

Kaifu's popularity has soared since taking the job as prime minister a year ago as a relatively obscure politician without a reputation for leadership.

Kaifu has asked Foreign Minister Taro Nakayama to travel to the Middle East later this week on his behalf to explain Japan's policies toward the region, and why Kaifu canceled the trip.

Nakayama is expected to visit all of the five countries on Kaifu's itinerary—Oman, Saudi Arabia, Jordan, Turkey, and Egypt.

Nakayama Visit Welcomed

OW1408113490 Tokyo KYODO in English 1036 GMT 14 Aug 90

[Text] Tokyo, Aug. 14 KYODO—Five Middle Eastern countries have expressed their understanding of Prime Minister Toshiki Kaifu's decision to postpone his scheduled visits to their nations and are prepared to welcome a visit by Foreign Minister Taro Nakayama instead, a Foreign Ministry spokesman said Tuesday.

Taizo Watanabe said the United States has also informed Japan that it understands why Kaifu decided to postpone his 13-day trip, which was set to begin Wednesday. Kaifu's tour is being pushed back because Japan needs more time to consider its Middle East strategy following Iraq's recent invasion of neighboring Kuwait, government officials said.

Nakayama is expected to leave Friday on an eight-day visit to Saudi Arabia, Egypt, Jordan, Turkey, and Oman to personally convey the prime minister's regards and discuss ways of assisting them in the current crisis, they said. The foreign minister said Monday he will also express Japan's willingness to extend special economic assistance to friendly Middle Eastern countries most adversely affected by the crisis.

Relations With U.S. Over Mideast Crisis Viewed

Bush Requests Increased Aid

OW1408045290 Tokyo NHK General Television Network in Japanese 0300 GMT 14 Aug 90

[Text] Prime Minister Kaifu had a telephone conversation with U.S. President Bush this morning. In response to President Bush's request for further assistance regarding the Iraqi military attack, Kaifu indicated Japan's plan for further providing positive cooperation. This was disclosed by Prime Minister Kaifu at the cabinet meeting held today.

According to Prime Minister Kaifu, President Bush called him up this morning and stated that it is understandable that there are regulations concerning Japan taking action such as the use of its military strength in dealing with Iraqi military attack, but requested that Japan provide further assistance. He said that Japan should provide as much

assistance as possible to those neighboring nations that could possibly be damaged in this dispute.

To this request, Prime Minister Kaifu replied that Japan is now making a practical study of what can be done and he also indicated Japan's intention of providing more positive assistance in settling the dispute.

At today's cabinet meeting, the prime minister explained the reasons for his decision to postpone his Middle East tour, which was originally scheduled to start on 15 August. He stated that the decision was made to postpone, but not cancel the tour; that Foreign Minister Nakayama would be dispatched to listen to requests of the nations concerned, and then Japan would work out plans for its contributions; and that he would visit the Middle East at a date as early as possible. He also instructed the ministers concerned to study concrete plans for Japan to make contributions.

Following the cabinet meeting, Foreign Minister Nakayama held consultations with Finance Minister Hashimoto on various issues, including on economic assistance to the Middle East area. At the news conference held later, Foreign Minister Nakayama stated that in promoting Japanese diplomacy in the future, he would study what contributions Japan could make to bring about peace in the Middle East while keeping in close contact with Finance Minister Hashimoto. He also stated that he would like to work out concrete plans for Japan to contribute to peace in this region as soon as possible.

More on Financial Help

OW1408050190 Tokyo KYODO in English 0435 GMT 14 Aug 90

[Text] Tokyo, Aug. 14 KYODO—U.S. President George Bush urged Japanese Prime Minister Toshiki Kaifu on Tuesday to devise ways that Japan could help to bail out countries that get hurt financially as a result of economic sanctions against Iraq, Japanese Government officials said.

Bush made the request in a 20-minute telephone call he made to Kaifu on Tuesday morning (Japan time). The call came the day after Kaifu decided to postpone his planned five-nation Middle East tour.

In response to Bush's request, Kaifu was quoted as saying that Japan is making efforts to work out detailed measures for its contribution to the Middle East from a global perspective.

Kaifu was originally scheduled to leave Wednesday for a 13-day trip to Turkey, Saudi Arabia, Oman, Jordan, and Egypt.

On behalf of Kaifu, Foreign Minister Taro Nakayama will leave Tokyo this weekend for the five nations to brief leaders there on Japan's Middle East policy.

Kaifu cited Iraq's August 2 invasion of Kuwait as a reason for postponing his Mideast trip and stressed that his wish to visit the Gulf nations remains strong.

Meanwhile, Nakayama, Finance Minister Ryutaro Hashimoto and Chief Cabinet Secretary Misoji Sakamoto discussed specific measures to contribute to peace and stabilization in the Middle East, officials said.

During the discussions, Nakayama appeared to seek cooperation from financial authorities in mapping out Japanese economic assistance to the Gulf nations.

Nakayama told reporters he wants to work out proposals for Japanese aid before he leaves for the Mideast around Friday.

U.S. Urges AWACS Purchase

OW1308142290 Tokyo KYODO in English 1345 GMT 13 Aug 90

[Text] Tokyo, Aug. 13 KYODO—U.S. defense officials have urged Japan to purchase AWACS aircraft, increase its support of U.S. troops stationed in Japan, and strengthen its nonmilitary cooperation against Iraq in the Persian Gulf, Japanese Defense Agency sources said Monday.

Kazuo Fujii, director general of the agency's Defense Policy Bureau, met U.S. officials in Washington over the weekend to discuss Japan-U.S. defense arrangements in order to help prepare Tokyo's defense budget for 1991. Fujii returned to Japan on Monday.

In the discussions with Fujii, U.S. Government officials urged Japan to purchase airborne warning and control system (AWACS) planes and tanker aircraft for refueling other flights in midair to defend its sea lanes, the sources said. The U.S. Defense Department also asked Japan to boost support for U.S. troops in Japan and upgrade its defense systems in order to cope with the crisis in the Middle East, the sources said.

Fujii met Henry Rowen, U.S. assistant secretary of defense for international security affairs, and other government officials. Fujii informed them that Japan is considering the feasible limits of its support for U.S. Forces in Japan, while U.S. officials stressed the need for Japan to decide on the matter as soon as possible, the sources said.

Jordan, Saudi Arabia Appreciate Mideast Policy

OW1408043290 Tokyo KYODO in English 0404 GMT 14 Aug 90

[Text] Amman, Aug. 14 KYODO—Jordan's Crown Prince Hasan said Monday he understands Japanese Prime Minister Toshiki Kaifu's decision to delay a Middle East visit.

Hasan told Japanese journalists in the capital that he understands "the present situation in Japan" which led Kaifu to postpone the visit until early October.

Kaifu was scheduled to start his 13-day Middle East tour on Wednesday, and would have included Turkey, Saudi Arabia, Oman, Jordan, and Egypt.

Instead, Foreign Minister Taro Nakayama will leave Tokyo on Friday to visit the five nations to discuss Japan's response to Iraq's invasion of Kuwait.

Hassan said he thinks Japan's decision to dispatch Nakayama as a special envoy does not mean there is any change in the emphasis of Japan's foreign policy toward the Middle East.

Meanwhile, the Saudi Arabian ambassador to the United States, Prince Bandar Bin Sultan, said in Washington on Monday that Japan's full implementation of economic sanctions against Iraq will greatly contribute to ending the Gulf crisis.

He also said he understands the decision not to send a military force to the Middle East, under Japan's constitution which forbids deployment of its Self-Defense Force (SDF) overseas.

Bandar said it was inevitable for Kaifu to defer his planned trip to the Middle East, due to the mounting tensions in the area.

Japanese Businessmen, Families Leave Iraq

OW1208094090 Tokyo KYODO in English 0612 GMT 12 Aug 90

[Excerpt] Tokyo, Aug. 12 KYODO—A group of 69 Japanese, comprising businessmen and their families, have safely crossed the border from Iraq into Jordan, Foreign Ministry officials said Sunday.

The businessmen, employees of Mitsubishi Corp., Sumitomo Corp., and Nec Corp., escaped Iraq with their families Saturday morning by bus to Jordan, following the ministry's instruction issued on Thursday to leave Iraq as soon as possible, the officials said, quoting reports from the Japanese embassies in Iraq and Jordan.

There were still 335 Japanese nationals left in Iraq as of Saturday, they said.

Another four Japanese businessmen stationed in Iraq had also left for Turkey by Friday evening, they said. [passage omitted]

Muto Indicates New Oil Product Pricing System

OW1408054090 Tokyo KYODO in English 0526 GMT 14 Aug 90

[Text] Tokyo, Aug. 14 KYODO—International Trade and Industry [MITI] Minister Kabun Muto indicated Tuesday that the government may restructure the current pricing system for oil products, which allows gasoline to be priced lopsidedly higher than other products.

"It is certainly an option that we change the system, under which gasoline is designed to serve as the principal cash maker for oil companies," Muto said.

The Natural Resources and Energy Agency denied that Muto's remarks reflect the recent turmoil in the Middle East in the wake of Iraq's invasion of Kuwait.

"We have been holding a series of meetings among oil companies, consumers and experts to review the current oil product pricing system since the end of March," an agency official said. "The argument has nothing to do with Iraq's invasion."

The official, who requested anonymity, said there are some voices calling for a change in the system, which attaches a special price status to gasoline. "But we are just discussing the issue with many options open," he added.

Agency To Tap Oil Reserves To Replace Losses

OW1408100190 Tokyo KYODO in English 0859 GMT 14 Aug 90

[Text] Tokyo, Aug. 14 KYODO—The Agency of Natural Resources and Energy will tap into the private sector's crude oil reserves to compensate for the oil Japan no longer is importing from Iraq and Kuwait, agency sources Tuesday.

The sources said the agency will not wait for the embargo on oil imports from the two Middle East countries to hurt Japan's economy.

Currently, Japan has a 142-day supply of crude oil in reserves—88 days in the private sector and 54 days in government supplies.

The private sector's stockpile is six days larger than the required 82-day supply.

The excessive reserve in the private sector will first be used to make up for the losses, the sources said. It will be used to cover oil import losses for about 50 days.

Combined imports from Iraq and Kuwait represented 12 percent of Japan's total crude oil imports.

If Japan's total reserve is made available, Japan could go 800 days without oil imports, the sources said.

When the government is forced to put part of the governmental stockpile into use, the selling price would be decided based on the spot prices and the average price for long-term import contracts with transportation costs, insurance, and other added expenses.

The government's reserves will be allocated to oil companies according to market share, the sources said.

Stock Prices Plunge to Lowest Levels in 2 Years

OW1308080490 Tokyo KYODO in English 0736 GMT 13 Aug 90

[Text] Tokyo, Aug. 13 KYODO—Tokyo stock market prices tumbled to their lowest levels in more than two years in thin trading Monday as worries about the Middle East left few buyers to defend the market against index-linked

selling. While many investors took their summer vacations, investment trusts and arbitraguers sold, giving the key Nikkei index its seventh sharpest one-day plunge on record.

The Nikkei stock average of 225 selected issues, which lost 286.18 yen Friday, plummeted 1,153.12 yen to 26,176.43 yen, the lowest since it finished at 26,104.22 yen April 1, 1988. The Tokyo Stock Price Index (TOPIX) of all issues listed in the first section fell 63.84 points to close at 1,993.04, sinking below 2,000 for the first time since February 17, 1988. The composite index gave up 11.53 points the previous session. An estimated 250 million shares were traded, down from 317.45 million shares Friday.

The Nikkei 225 index fell by close to 800 yen to a morning low at 10:00 A.M. and stayed near bottom to end the session at 26,566.43 yen. The index continued dropping in the afternoon to scrape bottom at 25,913.76 yen, or more than 1,400 yen lower than Friday's close. Traders said the morning decline was due to index-linked arbitrage selling while investment trusts led the market lower in the afternoon. A lack of buyers left the market extra sensitive to small-lot selling, they said.

Worries about the future of the market punched stock-index futures down, and cash stocks followed as index-linked arbitrage programs moved money from stocks into futures. "We're having a hard time slowing this thing down," said Yoko Kamiki, a trader at Daiwa Securities. "We are slowly strangling ourselves with small-lot buying."

"Our charts don't tell us anything," she said. "Now we're just hoping the Nikkei will stop at 24,500." Although prices have reached bargain levels, investors are staying off the trading floor because "they have no confidence in the market," said Hidetada Yoshida, general manager of the equity trading department at Kidder Peabody International.

Anxieties about Iraq's aggression in the Middle East and how it will affect oil prices, inflation and interest rates will continue to make buyers nervous, he said. Yoshida said some analysts believe the market hit bottom at the 25,000 yen level on the Nikkei 225 in mid-afternoon trading. "But they are a very, very small minority," he said.

Losers led winners 934 to 34 as 70 issues were unchanged. All sectors were widely and sharply lower. Oil product shares led the losers with Nippon oil down 70 yen to 1,330 yen and Teikoku oil falling 40 yen to 1,570 yen. Food shares such as Yamazaki baking and house food industrial were notably weak as were shipping issues such as Iino Kaiun and Navix. Machinery shares were also sold with Amada down 70 yen to 1,430 yen and Toshiba Machine shedding 100 yen to 1,100 yen. Speculative paper/pulp issues were also down but met with a rush of buying toward the close to erase some of their initial losses.

The Tokyo Stock Exchange index for the second section, which inched 0.83 point Friday, dived 123.75 points to 3,988.36. An estimated seven million shares changed hands in the minor section, down from 11.28 million shares Friday.

Yeutter Asks Kaifu for Concession on Rice Ban

OW1208084690 Tokyo KYODO in English 0821 GMT 12 Aug 90

[Text] Tokyo, Aug. 12 KYODO—U.S. Agriculture Secretary Clayton Yeutter requested Prime Minister Toshiki Kaifu on Sunday to make more efforts to find a compromise over rice imports, government sources said. In a private 30-minute meeting Yeutter referred to the solution of an issue of symbolic importance for Japan, though he avoided any explicit mention of the Japanese ban on rice imports, they said.

Kaifu replied that no changes are planned in Japan's food security policy, and stressed that Japan already is a giant importer of food products. Yeutter indicated that negotiations on agricultural issues including rice will be conducted under the framework of GATT, and not bilaterally, the officials said. Kaifu said Japan will also seek a successful conclusion of the current Uruguay Round trade talks, they said.

Japan has been under persistent foreign pressure to open up its rice market in order to ensure the successful conclusion by the year-end of the four-year Uruguay Round of multilateral trade talks under the General Agreement on Tariffs and Trade (GATT). Yeutter said before coming to Tokyo that the U.S. expects Japan to produce a rice liberalization program "sometime in November," and "two to three weeks" ahead of the GATT ministerial meeting in Brussels in early December.

Yeutter, who arrived in Japan on Friday for an unofficial visit, met Kaifu before leaving for visits to Thailand, Malaysia, and Hong Kong. He will return to Tokyo on August 17 for a weeklong official visit. When he returns to Tokyo, Yeutter is expected to meet with Agriculture Minister Tomio Yamamoto, Foreign Minister Taro Nakayama, and senior members of the ruling Liberal Democratic Party.

According to a Japanese estimate, rice in Japan is priced 6.5 times higher than in the United States, although a U.S. survey found it is eight times higher. The U.S. says the price gap would be equivalent to a tariff as high as 700 percent. Yeutter also requested Japanese financial assistance for a U.S. project to build a superconductive super particle accelerator, and Kaifu agreed to promote talks on the issue with the Foreign Ministry. Meanwhile, Yeutter referred to Iraq's invasion and occupation of Kuwait and briefed Kaifu on Washington's determination to defend Saudi Arabia from possible Iraqi attack, Japanese Government officials said. Yeutter also showed Washington's interest in Kaifu's planned trip to the Middle East, the officials said.

The Agriculture secretary was quoted as saying he is well aware the Japanese prime minister will shortly decide whether to cancel or go ahead with a planned 13-day trip to Turkey, Saudi Arabia, Oman, Jordan, and Egypt, beginning Wednesday.

NHK 'Roundtable' on Opening Rice Market

OW1408020690

[Editorial Report] Tokyo NHK General Television Network in Japanese at 0000 GMT on 12 August carries a 90-minute roundtable discussion entitled "How To Deal With Japan's Agriculture," moderated by NHK commentator Koreito Obama. Participating in the roundtable discussion are Tomio Yamamoto, minister of Agriculture, Forestry and Fisheries; Mutsuki Kato, chairman of the Policy Affairs Research Council of the Liberal Democratic Party [LDP]; Shigeru Ito, chairman of the Policy Board of the Japan Socialist Party [JSP]; Takenori Kanzaki, chairman of the Policy Board of the Komeito [the Clean Government Party]; Kansei Nakano, chairman of the Policy Deliberation Council of the Democratic Socialist Party [DSP]; Akira Kudo, chairman of the Economic Policy Committee of the Japan Communist Party [JCP]; Hitoshi Ikeda, managing director of the National Agriculture Council; Kenzo Henmi, professor of Asia University; and commentator Hiroko Ota.

In his introductory remarks, moderator Obama says that other nations, particularly the United States, are stepping up their demands for the opening of Japan's rice market, and that Japan is compelled to make some sort of decision on this question. At home, agricultural organizations still are strongly opposed to opening the rice market, and the Diet has adopted a resolution against the liberalization of rice imports. After introducing each participant, Obama asks them to state their basic views concerning the demands for opening the rice market.

Speaking first, LDP's Kato says that "the Diet has adopted a resolution calling for complete self-sufficiency in rice," and stresses that "the question is being dealt with by taking the consumers' standpoint into account."

JSP Policy Board Chairman Ito, after maintaining that "the JSP is strongly opposed to liberalizing rice imports and that Japan appears to be pressured by other world nations, particularly the United States, in connection with the question of liberalizing rice imports," points out that "Japan's agriculture is in a serious situation." He stresses that allegations that "Japan, which is the world's biggest importer and has the most wide-open market for farm products in the world, is adopting a protective policy failing to state the truth."

Komeito's Kanzaki, after claiming that "Japan's policy of not importing a grain of rice can hold no benefit in the international community," says that "our party is discussing the question from the perspective of partially liberalizing rice imports."

The JCP's Kudo says that "our party is absolutely opposed to liberalizing rice imports, even their partial liberalization," citing Japan's low self-sufficient rate of grains and the farmers' opposition.

The DSP's Nakano notes that his party is against the liberalization of rice imports and stresses efforts to obtain the understanding of other nations on the importance of rice in Japan.

Stating the government's view on this question, Agriculture, Forestry, and Fisheries Minister Yamamoto says that "the government has thus far taken the attitude that the supply of rice must be met by domestic production based on the Diet resolution, and it will continue to uphold this attitude." He stresses that "no other nation, including the United States, has formally demanded that Japan liberalize rice imports."

After Ikeda from the National Agriculture Council and professor Henmi from Asia University state their views on the liberalization of rice imports, commentator Ota asks Agriculture Minister Yamamoto why the government does not give consumers the chance to choose between domestic- and foreign-produced rice. In reply, Agriculture Minister Yamamoto stresses that "we must establish a system under which the Japanese can eat food in a state free of concern. With regard to rice, it must be supplied through Japan's own responsibility," adding that the government has never refused to give consumers such a chance.

Turning to the food security theory, moderator Obama then asks the participants to state their views on this subject. The LDP's Kato, after pointing out that there are three strategies in the world—nuclear weapons, oil, and food—stresses that "we are upholding the theory based on the judgment that if we fail to take these three strategies into account, we cannot protect the people's livelihood and economy."

Commenting on this theory, the JSP's Ito contends that "Japan should discuss the world's food and other problems from a broader prospective instead of engaging in confrontations and arguments at meetings of the General Agreement on Tariffs and Trade [GATT]; Japan should put forth rational proposals to other nations of the world."

Komeito's Kanzaki says that "it is inappropriate to use this theory as a basis to advocate Japan's complete self-sufficiency in rice."

DSP's Nakano stresses that "efforts should be made to create a situation in which quality rice is produced at lower costs."

In response to a comment put forth by commentator Ota, Komeito's Kanzaki says: "In my personal view, Japan should import from 100,000 to 200,000 tons of rice beginning in 1992 and should set a goal of importing 500,000 tons of rice over the next 10 years, all the while increasing its imports year after year. In that situation, Japanese farmers, who are presently producing about 10 million tons of rice, would only produce 9.5 million tons of rice after the 10-year period with the remaining 500,000 tons of rice being collected through imports."

Commenting on the remarks made by the Komeito's Kanzaki, National Agriculture Council Director Ikeda asks Kanzaki why Komeito takes such an attitude. In reply, Kanzaki claims that "in meetings with us, President Bush and other cabinet members definitely said that the success of the Uruguay Round of talks depends on the agricultural issues. Secretary of State Baker also clearly said that the resolution of all agriculture issues, particularly the rice issue, depends on whether Japan makes concessions on them."

Kanzaki stresses "the need to make the people understand correctly the present situation of the Uruguay Round of talks." He urges the government to change its policy and to settle the issue at the GATT talks.

Asked by moderator Obama to comment on the rice issue at the Uruguay Round of talks, Agriculture Minister Yamamoto says that "the government's consistent attitude is to make the Uruguay Round successful."

After discussing the issue of imposing tariffs on imported rice, the discussion turns to focus on Japanese agriculture with each participant giving his respective party's agriculture policy.

Asked by moderator Obama to state their views on the Diet resolution, the DSP's Nakano says that "his party is discussing a basic policy of how to deal with Japan's agriculture and the Uruguay Round of talks rather than the Diet resolution." The JCP's Kudo stresses that "the government should act in accordance with the resolution," and criticizes the LDP for "failing to protect Japan's agriculture." Komeito's Kanzaki says that "although the resolution should be respected, it is necessary to make efforts that correspond to the present reality." The JSP's Ito maintains that "the Diet resolution should be respected," calling it "unchangeable." The LDP's Kato also maintains that "the resolution should be respected." Finally, Agriculture Minister Yamamoto says that "the government intends to hold fast to the resolution."

At 0130 GMT, moderator Obama concludes the round-table discussion.

Firms Heading for Full-Scale Business in SRV

OW1208083890 Tokyo KYODO in English 0712 GMT 12 Aug 90

[Text] Tokyo, Aug. 12 KYODO—The thaw in U.S.-Vietnamese relations has set off a signal of a full-scale advance by Japanese firms into Vietnam, "the last remaining Southeast Asian market of the future" with abundant natural resources and labor force, industry sources say.

The sources cite growing signs of full-scale business with Vietnam typified by a doubling to 43 billion yen in the value of bilateral trade in the first five months of this year alone.

Japan-Vietnam trade took off dramatically in spring this year. Japan's exports to Vietnam in the January-May period leaped 85.6 percent over a year before to reach 13.5 billion yen while imports doubled to 29.5 billion yen, the sources said.

Electric appliances and rice-milling machines were major items among the increased exports while crude oil accounted for about 60 percent of Japan's imports from Vietnam.

Strained U.S.-Vietnamese relations since the Vietnam war had previously rendered Japanese firms reluctant to do business in Vietnam, but the growing rapprochement between Washington and Hanoi since this spring is encouraging increasing numbers of Japanese firms to enter the Vietnamese market, the sources said.

In April, Vietnamese Party Chief Nguyen Van Linh announced the country's readiness to normalize relations with the United States. An official meeting between the two countries took place last week in New York at the office of the Vietnamese representative to the United Nations.

Tomen Corp., the first major Japanese trading firm to set up a joint venture in Vietnam capitalized at 40 million yen on a 50-50 basis, will complete a plant there by the end of this year to produce raw materials for adhesives, according to the industry sources.

An Osaka-based subsidiary of Daimaru Inc., a major department store, has also built a plant in Vietnam jointly with a Hong Kong trading house and a Vietnamese public corporation to manufacture bone meal for organic fertilizers. The plant will begin production in late August for export to Japan.

In the past, Nissho Iwai Corp. was the only major Japanese trading firm with an office in Vietnam, but Mitsubishi Corp. recently applied for a permit to open offices in Hanoi and Ho Chi Minh City simultaneously, the sources said. Other trading companies are expected to follow suit.

Mitsubishi Corp., a leading importer of crude oil from Vietnam, plans to embark on big projects in that country, including oil exploration, the sources said.

A senior official at another major trading house said the region could prove an unexpectedly good business proposition. "You hear talk of business booms in the Soviet Union and East European countries, but Indochina has stronger potential appeal because of its geographic location and natural resources," he said.

"I can foresee the possibility also of the Japanese Government resuming its development aid to Vietnam, and you will find more and more Japanese firms getting actively involved from now through the end of this year."

Kaifu Plans Not To Visit Yasukuni Shrine

OW1408060990 Tokyo KYODO in English 0558 GMT 14 Aug 90

[Text] Tokyo, Aug. 14 KYODO—Prime Minister Toshiki Kaifu plans to skip a visit to Tokyo's Yasukuni Shrine, which is dedicated to Japan's war dead, to avoid offending neighboring Asian countries, a government spokesman said Tuesday.

Kaifu will not be joining 16 of his cabinet members who will visit the shrine Wednesday—the 45th anniversary of Japan's surrender in World War II—"out of consideration for neighboring countries in Asia," Chief Cabinet Secretary Misoji Sakamoto said.

Wartime Prime Minister Gen. Hideki Tojo and six other Class-A war criminals are also enshrined at the central Tokyo shrine.

Sakamoto indicated he would also abstain from visiting the Shinto shrine, dedicated to the over two million Japanese who have died in a series of wars since the Meiji restoration in the 19th century.

In 1985 then-Prime Minister Yasuhiro Nakasone triggered angry protests from China and South Korea when he became the first head of government to pay an official visit to the shrine.

Subsequent prime ministers have stayed away from the shrine on the August 15 anniversary.

Foreign Minister Taro Nakayama has also said he does not plan to visit the shrine because of his diplomatic function.

North Korea

Further Coverage of Pan-National Rally, Visits

South Group To Send Delegation

SK1008230490 Pyongyang Domestic Service in Korean 2200 GMT 10 Aug 90

[Text] The South side's promotion headquarters for the pan-national rally yesterday revealed that it will dispatch a South side delegation to the North to participate in the pan-national rally.

Cochairmen and advisers of the promotion headquarters made public a statement in connection with the decision of the promotion headquarters.

In the statement, they urged the United States to open the South side's area in Panmunjom for passage of the delegation to the North and warned that if the United States refuses, 70 million fellow countrymen will again denounce the United States.

Overseas Koreans Arrive

SK1108044590 Pyongyang KCNA in English 0435 GMT 11 Aug 90

[Text] Pyongyang August 11 (KCNA)—Overseas Koreans' delegations are arriving here one after another to participate in the pan-national rally for peace and reunification of the country.

Arriving on August 9 and 10 were a delegation of the promotion headquarters in Japan for the rally headed by its chairman Kwak Tong-ui; co-chairman of the promotion headquarters in North America Yi Haeng-u who is co-delegate of the overseas Koreans' promotion headquarters for the rally; the first batch of the delegation of Koreans in North America headed by Kang Won-chin; co-chairman of the promotion headquarters in that region; a delegation of Koreans in Europe led by Chong Kyu-myong; delegate of the promotion headquarters in Europe for the rally; and the first and second batches of delegations of Koreans in the Soviet Union.

They were met at the airport with warm feelings of kinship by Yo Yon-ku, Chon Kum-chol, Kim Yong-ho, and Han Yong-su, vice-chairmen of the North side's preparatory committee for the pan-national rally, and other officials concerned.

In their arrival statements they called for vigorously turning out in the struggle for national reunification on the basis of the three principles of independence, peaceful reunification, and great national unity clarified in the July 4 North-South joint statement.

Expressing their determination to make strenuous efforts to open the door of national reunification with the pan-national rally to be held for the first time in 45 years as an occasion, they called for reunifying the country without fail by the great united efforts of our nation.

North Delegates Waiting for South

SK1408013890 Pyongyang Domestic Service in Korean 0023 GMT 14 Aug 90

[Text] All the working delegates of our side are waiting for the arrival of the South side's delegates at Panmunjom.

As has already been reported, the spokesman for the Korean Students Committee released a statement proposing working contact with the Seoul District Federation of General Student Councils [Sochongnyon] at 0900 this morning in the conference room of the Neutral Nations Supervisory Commission to discuss working procedures on their visit to the North.

Accordingly, the Korean Students Committee sent two delegates to Panmunjom for the discussion of working procedures with the Sochongnyon delegates. They are now waiting for the delegates of the Sochongnyon to show up at Panmungak.

Meanwhile, the North side's preparatory committee of the Korean Roman Catholics Association Central Committee for the pan-national rally and the Korean Social Democratic Party Central Committee also sent their respective delegates to Panmunjom at 1100 in the morning at 1400 and 1600 this afternoon, for discussion of working procedures with the South side's promotion committee of the South Korean National Roman Catholic Priests for Justice to the pan-national rally and the delegates of the Party of the Masses.

Reunification Desire Mounts

SK1308215590 Pyongyang KCNA in English 1520 GMT 13 Aug 90

[Text] Pyongyang August 13 (KCNA)—Desire for national reunification is growing stronger in Korea with the approach of the pan-national rally slated for August 15.

Set up in the capital and local areas are slogans welcoming the delegates to the pan-national rally and placards reading "Let's Make the 1990s Shine As a Decade of Reunification!"

Home and overseas compatriots have emotional meetings at the airport, ports, railway stations, streets, and visiting places where shouts "National Reunification" and "Korea Is One" and the song "Our Desire Is Reunification" ring out.

They are seething with the enthusiasm to contribute to accelerating the day of national reunification by successfully holding the pan-national rally.

Today the biggest pain of the Korean nation is division and the greatest desire is reunification.

This is why all the compatriots in the North and the South and overseas regard the country's reunification as the supreme national task which brooks no further delay and are waging a vigorous struggle for its realisation.

The meeting for promoting national reunification held by home and overseas compatriots in Pyongyang in July last year called for making the year 1995 a historical year of national reunification and arranging the August 15 pan- national rally in 1990, making it an occasion of a new turn in demonstrating the reunification will of the whole nation and promoting the cause of reunification.

Last year, the Rev. Mun Ik-hwan, adviser to Chonminnyon [National Democratic Alliance of Korea], delegate of Chondaehyop [National Council of University Students Representatives] Yim Su-kyong, and others visited Pyongyang as the reunification envoys of the South Korean people and had emotion-charged meetings with people in the Northern half of the Republic. This showed that no splittist move of the U.S. imperialists and the South Korean puppets could put down the desire for reunification burning in the hearts of the people like an active volcano.

The Government of the DPRK recently decided to call a modern street under construction in Naknang district, Pyongyang, Reunification Street and build there house of reunification, reflecting the desire and will of all the Korean people for reunification.

It also instituted the national reunification prize to be awarded to those compatriots in the North and the South and overseas who distingushed themselves in the struggle for the independent and peaceful reunification of the country.

1,000 Attend Opening Ceremony

SK1308233190 Pyongyang KCNA in English 1611 GMT 13 Aug 90

[Text] Mt. Paektu August 13 (KCNA)—The opening ceremony of the pan-national rally and the starting ceremony of a Mt. Paektu-Mt. Halla grand march for the promotion of national reunification took place on the top of Mt. Paektu today.

Many working people and students in Yanggang Province who ascended Mt. Paektu that day enthusiastically welcomed the delegates of the North and the South and overseas Koreans to the pan-national rally, playing peasant music which stirs up national emotion and hugged them warmly.

The top of Mt. Paektu was wrapped in compatriotic feelings, emotion, and passion of the welcoming crowd and the delegates of the North and the South and overseas Koreans. Seen here and there on the mountain top were large placards and slogan-boards reading "Warm Welcome to the Delegates to the Pan-National Rally!", "Let Us Make the 1990s the Decade of Reunification!", "Let Us March from Mt. Paektu to Mt. Halla!", and large picture-boards appealing "Let Whole Korean Nation Unite for Earlier National Reunification!"

The delegates of the North and the South and overseas Koreans and the working people in Yanggang Province, 1,000 in all, thronged to the place where functions were to be held with the flags of the August 15 pan-national rally and of the Mt. Paektu-Mt. Halla grand march for the promotion of national reunification in the van while peasant music and welcome music were played. Seen there were the members of the regional delegations to the pan-national rally holding large placards reading "Compatriots at Home and Abroad, Unite, and Promote National Reunification!"; "Let's Reunify the Country in Line With Proposal to Found the Democratic Confederal Republic of Koryo!"; "Let's Adhere to the Three Principles of National Reunification—Independence, Peaceful Reunification, and Great National Unity!"; "Let's a Fight Vigorously to Implement the Five-Point Policy of National Reunification!"; "Let's Decisively Frustrate the 'Two Koreas' Plot of the U.S. Imperialists!"; and picture-boards on the themes of "Korea Is One"; "Compatriots in the North, South, and Abroad, Unite Under the Banner of Reunification"; "Our Desire Is Reunification"; and various posters.

Luise Rinser, a woman writer of West Germany, climbed Mt. Paektu to see this historical function, holding a placard reading "Germans Support Korean Reunification" to delight the delegates.

At 11:00 delegate of the South side's promotion headquarters for the pan-national rally Hwang Sok-yong; head of the delegation of the promotion headquarters in Japan Kwak Tong-ui; co-chairman of the North American promotion headquarters Yi Haeng-u who is co-delegate of the overseas Koreans' promotion headquarters; head of the delegation of Koreans in Europe Chong Kyu-myong; head of the delegation of Koreans in the Soviet Union Kang Il; and head of the delegation of Koreans in China Yi Chol-chae appeared on the scene.

Also present there was So Man-sul, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), who is heading the delegation of Koreans in Japan.

And chairman of the North side's preparatory committee for the pan-national rally Yun Ki-pok and vice-chairmen Chang Chol, Yo Yon-ku, and Chon Kum-chol were among those present there.

A starting ceremony of a grand march for national reunification, the opening function of the pan-national rally, was held atop Mt. Paektu in a grand manner, presided over by head of the delegation of the promotion headquarters in Japan Kwak Tong-ui.

A steering committee was formed at the starting ceremony to successfully hold the rally and function.

The members of the committee include delegates Mun Ik-hwan, Paek Ki-wan, and Hwang Sok-yong from the South side; delegates Kwak Tong-ui, Chong Kyu-myong, and Yi Haeng-u from the overseas side; delegate Kang Il from the Soviet side; delegate Yi Chol-chae from the Chinese side; delegate So Man-sul from the chongryon side; and delegates Yun Ki-pok, Yo Yon-ku, and Chon Kum-chol from the North side.

Speeches were made by several delegates.

Yun Ki-pok, chairman of the North side's preparatory committee for the pan-national rally, spoke first.

As they have the common ideal of national reunification, compatriots at home and abroad have gathered on Mt. Paektu irrespective of difference in ideology and religious beliefs and jobs and places of residence to take together the steps of the reunification march toward the place of the Panmunjom pan-national rally for national reunification and toward Mt. Halla, he said, and went on:

Every step of ours from Mt. Paektu to Mt. Halla, Southern tip of the country, through Pyongyang and Panmunjom will proudly show at home and abroad that although the barrier of tragic division bisects the country, our beloved motherland is one, the mind of our resourceful fellow countrymen is also one and our nation is sure to realise the historic desire for national reunification.

The march today has begun with only 1,000 people, but it carries the minds of 70 million fellow countrymen as the whole nation seems to go together and take the same step for reunification.

Those who stay away from this march are only a tiny handful of splittist forces in South Korea.

We will go and go with the sentiment of making this march together with student Yim Su-kyong, "Flower of Reunification" who took the road of the grand reunification march on this Mt. Paektu, loudly shouting "Territory Is One, Fellow Countrymen Are the Same and Our Motherland Is One" together with the participants in the international peace march for the peace and reunification of the Korean Peninsula just one year ago.

Delegate of the South side's headquarters for the promotion of the pan-national rally Hwang Sok-yong spoke next.

Recalling that he visited the Northern half of the country one year ago, he said it is painful to think that student Yim Su-kyong who participated in the 13th World Festival of Youth and Students as an official delegate of Chondaehyop [National Council of University Student Representatives], and Rev. Mun Ik-hwan who visited the North for reunification, are now languishing in jail.

Noting that the pan-national rally will be a first step toward the broad avenue for national reunification along with our utmost efforts not to make the division last for more than half a century, he called for a vigorous march, upholding intentions of the martyrs who fell in the reunification movement.

Un Ho-ki, a member of the delegation of Koreans from North America, spoke next.

The delegates to the PNR [pan-national rally] deem it an honor to hold a starting ceremony for national reunification atop Mt. Paektu, the very image, the highest peak and fountainhead of the nation, he said, describing the PNR as a grand festivity of the people, the victims of division, and other masses for achieving a voluntary, peaceful reunification ever in our history.

Noting that Koreans overseas had been driven to the edge of national history because of national division, because of the separatist forces, he said he would now do his bit as a member of the driving force of the nation.

Kim Song, a member of the delegation of Koreans from the Soviet Union, spoke last.

Saying the blood of Koreans, whether they live in the United States or in Canada or in Japan or in China or in the Soviet Union, is one and our nation is also a homogeneous one, he called for laying down our lives for the motherland.

Then a Mt. Paektu-Mt. Halla grand march for the promotion of national reunification began.

The participants in the starting ceremony formed their ranks and started down the mountain in fine array with the flag of the PNR and the flag of the grand march flying high.

When a peasant music and dance group moved ahead, rolling out the peasant music, they hastened their march in order of the delegates of the South side's promotion headquarters, the delegation of Koreans from North America, the delegation of Koreans from Europe, the delegation of the promotion headquarters in Japan, the delegation of Koreans from the Soviet Union, the delegation of Koreans from China, the delegation of Korean residents in Japan and the delegation of the North side, carrying large flags signifying delegations and placards.

The compatriots, wearing headbands inscribed with the letters "National Reunification" and with slogans written on the front and back of their shirts reading "We Want to Live in a Reunified Country. Independent and Peaceful Reunification"; "Our Country Is One From Mt. Paektu to Mt. Halla"; "Let Us Accelerate National Reunification Through a Successful Holding of the Pan-National Rally";

"Release Yim Su-kyong, the Flower of Reunification"; and so on, demonstrated the indomitable will to pull down the wall of division, achieve national reunification in our generation at any cost and thus hand it down to the posterity, shouting "Let Us Drive Out the Yankees and Achieve Independent Reunification"; "Independent, Peaceful Reunification"; and "The Motherland Is One."

The marchers were sent off by enthusiastic all cheering working people in Yanggang Province as they went by.

More on Ceremony

SK1308103190 Pyongyang KCNA in English 1000 GMT 13 Aug 90

[Text] Mt. Paektu August 13 (KCNA)—The opening ceremony of the pan-national rally for peace and reunification of the country and the starting ceremony of the Mt. Paektu-Mt. Halla grand march for the promotion of national reunification took place on the top of Mt. Paektu today.

Present there were the North side's delegation including Yun Ki-pok, chairman of the North side's preparatory committee for the pan-national rally; Hwang Sok-yong, delegate of the South side's promotion headquarters who is residing in West Germany owing to the suppression by the South Korean authorities after his visit to Pyongyang in March last year; So Man-sul, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) who is heading the delegation of Korean residents in Japan; Yi Haeng-u, co-delegate of the overseas Koreans promotion headquarters; and delegates of overseas Koreans residing in Japan, China, the Soviet Union, North America, and Europe.

A steering committee of the rally was formed at the opening ceremony.

The members of the steering committee include the Rev. Mun Ik-hwan, Mr. Paek Ki-wan, and delegate Hwang Sok-yong of the promotion headquarters of the South delegates Kwak Tong-ui; Chong Kyu-myong and Yi Haeng-u of the overseas promotion headquarters; delegate Kang Il of Koreans in the Soviet Union; delegate Yi Chol-chae of Koreans in China; and delegates Yun Ki-pok, Yo Yon-ku, and Chon Kum-chol of the promotion headquarters of the North.

Then followed the starting ceremony of the Mt. Paektu-Mt. Halla grand march for the promotion of national reunification, the first function of the rally.

Speaking at the starting ceremony, delegates from both parts of the country and overseas stressed that the grand march will proudly demonstrate at home and abroad that our beloved country is one and so is the heart of our resourceful fellow countrymen and our nation will certainly realise its historical cherished desire of national reunification, though the wall of tragic division cuts across the territory at its waist.

After the starting ceremony the participants descended Mt. Paektu, led by fluttering flags of the PNR and the Mt. Paektu-Mt. Halla grand march for the promotion of national reunification, shouting: "National reunification!" and "Korea is one!"

The marchers who descended Mt. Paektu in the northernmost tip of Korea to head for Mt. Halla in the southernmost part of the country with the pan-national rally as an occasion, which is the first of its kind in 45 years after the division of the territory owing to the U.S. imperialists' occupation of South Korea, will arrive at Panmunjom on August 15 via Pyongyang and Kaesong.

Statement on Paek's Visit

SK1308153290 Pyongyang KCNA in English 1511 GMT 13 Aug 90

[Text] Pyongyang August 13 (KCNA)—Paying heed to the announcement of the South Korean "unification minister" on August 12 that they would allow personages of four South Korean organizations to visit the North, we politely propose a working-level contact with delegates of the People's Party of South Korea at the conference room of the Neutral Nations Supervisory Commission at Panmunjom at 16:00 August 14 to discuss businesslike matters over the Pyongyang visit of Mr. Paek Ki-wan, permanent advisor to the People's Party, and delegates of the party, said a spokesman for the Central Committee of the Korean Social Democratic Party in a statement today.

We believe that if Mr. Paek Ki-wan and delegates of the South Korean People's Party visit Pyongyang, good results can be expected of the negotiation for reunification as we have the common desire and aspirations for reunification with them, he said, and stressed:

We reassure them that if they visit Pyongyang, the political parties in the northern half of the country will provide them with all necessary conveniences, guarantee their personal safety in consultation with the authorities of the republic and warmly greet them as envoys of reunification.

CPRF Official on Visits

SK1308153090 Pyongyang KCNA in English 1503 GMT 13 Aug 90

[Text] Pyongyang August 13 (KCNA)—I strongly hold that if the South Korean authorities truly want to realise exchanges on the occasion of the national liberation day, August 15, they must practically ensure the visit to the North of delegates of the People's Party, the Seoul District Federation of General Student Councils (Sochongnyon), the Coalition for National Democratic Movement (Chonminnyon) and the national Roman Catholic priests' group for the realisation of justice, while clarifying at an early date their official position of allowing the Pyongyang visit of Mr. Paek Ki-wan and the participation of all the delegates of the South side's promotion headquarters in the pan-national rally.

An Pyong-su, director of the secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF], said this in a statement today.

On August 12 the South Korean "unification minister" stated that they would "allow" the visit to the North of figures of the four organizations including the national Roman Catholic priests' group for the realisation of justice and Chonminnyon whom our side had already invited. And he proposed to have a contact of liaison officials in Panmunjom at 3 this afternoon in this connection.

An Pyong-su said:

The South Korean authorities proposed a contact between liaison officials this time, saying they would hand over to our side a "list of names" of persons of civilian organisations who would visit the North. This cannot be construed otherwise than their intention to control the contact and exchange of non-governmental organisations, taking the matter in their own hands.

The delivery of the list of the names of the intending visitors to the North can be, in fact, done directly by the parties concerned, without the authorities.

The South Korean authorities must not try to do other's work in their stead by interfering even in the contact and travel of civilian organisations which are neither their affair or a matter for them meddled in. What they should do, is, we think, to guarantee conditions so that the parties concerned can meet each other and pay attention to their safety.

Another matter regrettable to us is that the South Korean authorities do allowed delegates of many dissident organisations appointed by the South side's promotion headquarters to participate in the pan-national rally up to now when the rally is at hand.

It is self-contradictory for South Korean authorities to refuse to allow other dissident organisations in South Korea to participate in the pan-national rally, while stating that they will permit the visit to the North of persons of four organisations. And they should know that this makes us doubt truth of their very words that they allow the visit of the delegates of the for organisations to the North.

Spokesman Repeats Conditions

SK1108104590 Pyongyang KCNA in English 1028 GMT 11 Aug 90

[Text] Pyongyang August 11 (KCNA)—If the South Korean authorities make clear their willingness to accept our side's consolation team for coed Yim Su-kyong and state that they will refrain from interfering in the independent activities of the South side's non-governmental organizations for visit to the North, we will respond to a working-level contact between the authorities only to exchange notes of guarantee of their personal safety, says a spokesman of the Committee for the Peaceful Reunification of the Fatherland in a statement issued today.

The South Korean Unification Board spokesman late at night on August 10 called for a "contact between authorities", while refusing to "approve" the proposal of the North side's preparatory committee for the pan-national rally, the Korean students committee and the Korean Roman Catholics Association to have a working-level contacts for the discussion of the issues of exchanges and travel that had been proposed by South Korean organizations concerned. This is quite incomprehensible and deeply regrettable.

The statement further says:

How can the South Korean authorities deal with working matters of the pan-national rally, an independent civilian dialogue, host a reunification festival of students, and even officiate religious rites of Roman Catholics?

If there is something they can do, it is that they should ensure the safety of people in the name of authorities when they travel between the North and the South for contact, dialogue, and joint functions of organizations in the North and the South.

The South Korean authorities, failing to distinguish between what they must do and what they must not, are interfering here and there. This anti-national behavior reveals their fear of the masses of people, the driving force of national reunification.

We consider that it is high time the South Korean authorities knew that they must not and cannot block the independent non-governmental dialogue and the reunification movement of the patriotic, national democratic forces of all walks, fearing popular masses and estranging themselves from them.

North Student Committee Statement

SK1308153590 Pyongyang KCNA in English 1515 GMT 13 Aug 90

[Text] Pyongyang August 13 (KCNA)—Now that the South Korean "unification minister" said they would allow students belonging to the Seoul District Federation of General Student Councils (Sochongnyon) to visit the North, we, considering it necessary to meet and discuss urgently with them working procedures on their northern trip, will send two delegates to the NNSC [Neutral Nations Supervisory Commission] conference room in Panmunjom at 09:00 August 14 to meet Sochongnyon delegates, a spokesman for the Korean Student Committee declared in a statement today.

He said:

Our authorities decided to hand over to the South Korean authorities at 6 P.M. Aug. 14 a note of safety for personages of organizations who visit the North including Sochongnyon, saying that if students of Sochongnyon of South Korea come to Pyongyang, they will fully guarantee them conveniences and safety.

We will wait for Sochongnyon delegates at Panmunjom in the hope that our meeting with them will surely be realized.

Meeting of Catholic Groups

SK1308151790 Pyongyang KCNA in English 1459 GMT 13 Aug 90

[Text] Pyongyang August 13 (KCNA)—A spokesman of the Central Committee of the Korean Roman Catholics Association in a statement today said that if the South Korean authorities are to truly allow meeting between Catholics in the North and the South, they should not try to interfere in the work of non-governmental organisations but ensure them all conditions.

Recalling the fact that the South Korean authorities would hand over the list of names of visitors to the North on behalf of the organizations, the spokesman said that the Central Committee of the Korean Roman Catholics Association considers it more convenient and better to meet with representatives of the South Korean national Roman Catholic priests group for justice than to take over the list from a third party.

He went on:

We have the pleasure to inform you that we decided to send two delegates to the conference room of the neutral nations supervisory commission at Panmunjom at 11:00 on August 14 to meet delegates of the priests group and discuss with them the business-like matters regarding their visit to the North.

We believe that the South Korean national Roman Catholic priests group for justice will send its working delegates to Panmunjom.

If our meeting will be realized, the authorities of our side will hand over to the authorities of the South side a note of guarantee for personal safety at 6 P.M. that day.

Group To Enter South

SK1308130790 Pyongyang Domestic Service in Korean 1145 GMT 13 Aug 90

[Statement by the group formed to console Yim Su-kyong; issued in Pyongyang on 13 August—read by announcer]

[Text] On 12 August, the South Korean authorities, talking as if they were going to allow the figures of four organizations, including Chonminnyon [National Democratic Alliance of Korea], to visit the northern half of the Republic, as our side had demanded, in fact, took measures to block the exchange of visits by preventing them from visiting the North.

Still worse, while talking about exchanges of visits between the North and the South, the South Korean authorities have completely turned a deaf ear to a visit to South Korea by the consolation group for Yim Su-kyong.

As we repeatedly expressed, on the occasion of 15 August, meeting and comforting the reunification envoys—Yim Su-kyong, Rev. [Reverend] Mun Ik- hwan, and Father Mun Kyu-hyon—who have been imprisoned, are the intention and will of all fellow countrymen.

The South Korean persons in authority have blindly opposed our consolation group's attempt to meet the reunification envoys, saying that internal political chaos would be created by such a meeting. Such measures more clearly show the uneasy position of those who committed antireunification crimes before the nation.

The council to support figures imprisoned for visiting North Korea, composed of the four South Korean organizations—including the council for supporting Yim Su-kyong—ardently supports our proposal to send a consolation group for Yim Su-kyong, formed a welcoming team for our consolation group, and expressed that it will provide all accommodations for the consolation group, if it visits South Korea. This shows that the North and the South like the reunification envoys.

The South Korean persons in authority ignore such circumstances, continue to imprison Yim Su-kyong, and even block meeting with her. This is an antinational and inhumane act, which cannot obtain anyone's sympathy.

Because of the immoral acts of the South Korean persons in authority, we cannot continue to have Yim Su-kyong, Rev. Mun Ik- hwan, and Father Mun Kyu-hyon suffer in prison. Proceeding from such a standpoint, to personally visit and comfort Yim Su-kyong, Rev. Mun Ik-hwan, and Father Mun Kyu-hyon, our consolation group will go to the South side's area through Panmunjom on 14 August, as scheduled.

The consolation group will involve representatives of the Korean residents in Japan, who are attending the pan-national rally, including representatives of various fields of the northern half of the Republic.

We demand that if the South Korean authorities' special announcement is not a lie, they not block our road to the South any more. And, we demand that they take measures for guaranteeing the personal safety of all members of our side's consolation group.

The consolation group will wait in Panmunjom from 0900 on 14 August for representatives of the South side's Council for Supporting Yim Su-kyong to guide them.

13 August 1990, Pyongyang

Dailies Denounce No's Remarks at Frontline

SK1108044190 Pyongyang KCNA in English 0428 GMT 11 Aug 90

[Text] Pyongyang August 11 (KCNA)—The traitor No Tae-u showed up at frontline units of the puppet army in the eastern sector of the front on August 9 and incited war fever,

claiming that "the streng'h doctrine remains unchanged" even in the era of detente and crying for "perfect preparedness."

NODONG SINMUN and MINJU CHOSON today charge that the traitor No's inspection of the frontline was an open challenge to the desire of all the fellow countrymen for reunification and an unpardonable bellicose act going against the trend of the times toward reunification.

The news analyst of a NODONG SINMUN commentary says:

The traitor No's war blast in the frontline area shows how much he is displeased with the grand festivity of the nation for peace and the reunification of the country and what a vicious plot he is weaving to throw a wet blanket over the ardent desire of the fellow countrymen for reunification and put down the movement of the people for the peaceful reunification by deliberately rendering the situation strained.

His outcries for "strength doctrine" and "perfect preparedness" reveal his foolish intention to satisfy his desire for "unification by strength," in other words "unification by prevailing over communism."

For the South Korean puppets to talk about "grand inter-Korean exchanges of people," "free travel", and "unification" while inciting confrontation and war fever are a deception.

A signed commentary of MINJU CHOSON notes: No group isolated and rejected at home and abroad is seeking a way out in intensified war gambles against the North. But this is its last-ditch wriggle.

WFTU 'Strongly' Demands Yim Su-kyong's Release

SK1108043790 Pyongyang KCNA in English 0423 GMT 11 Aug 90

[Text] Pyongyang August 11 (KCNA)—The secretariat of the World Federation of Trade Unions (WFTU) in a letter of protest to the traitor No Tae-u August 6 strongly demanded that the South Korean authorities scrap the "National Security Law," anti-popular and anti-national, and unconditionally and immediately release woman student Yim Su-kyong and unionists and all other patriotic figures under arrest.

The protest letter said that all the activities of coed Yim Su-kyong during the 13th World Festival of Youth and Students could never be an object of such harsh penalty as today.

The WFTU will launch the international solidarity movement on a broader scale to rescue coed Yim Su-kyong.

U.S.-ROK Aerial Exercises Denounced

SK1408051990 Pyongyang KCNA in English 0451 GMT 14 Aug 90

[Text] Pyongyang August 14 (KCNA)—The U.S. imperialists brought formations of F-16, F-4, A-6 and other fighter-bombers and assault planes to South Korean bases from around 12:00 to 19:00 August 6 and from around 10:00 to 13:00 August 7 and let them fly in a planned way in the sky above the areas of Anmyon Islet, Chongup, Wonju, Woeyon Islet, Kwangju, Chongju and Kongju in aerial war exercises simulating a preemptive strike in coordination with F-16, F- 4, F-5, A-37, OA-10, and other fighter-bombers, assault planes and airborne warning and control planes belonging to the U.S. 7th airforce present in South Korea and the puppet airforce.

They also sent formations of fighter-bombers, pursuit-assault planes and assault planes including F-16, F-86 and FA-18, which they had brought to South Korean bases from their overseas bases to the air above Sangju, Yoju, Chungju and Kunwi from around 12:00 to 15:00 August 8 to stage war exercises simulating an assault on ground targets in operational tactical zones of the northern half of Korea in a joint operation with F-16, F-4, F-5, A-37, OA-10 and fighter-bombers, assault planes and airborne warning and control planes belonging to the U.S. Seventh airforce and the puppet airforce.

The fighter planes mobilized in aerial war exercises in the sky above South Korea in three days from August 6 total more than 1,400.

Daily Denounces U.S. Ships' Port Call in Japan

SK1108050390 Pyongyang KCNA in English 0452 GMT 11 Aug 90

[Text] Pyongyang August 11 (KCNA)—Frequent calls of the U.S. imperialists' warships at Japanese ports is part of their moves to execute their aggressive maritime strategy, says NODONG SINMUN today.

A U.S. cruiser entered the Yokosuka Port some time ago and U.S. imperialist nuclear-powered submarines paid 19 portcalls in the first half of this year.

Every time the U.S. warships called at Japanese ports, they use pretexts of "repair", "refueling" and "holiday-making" in an attempt to cover up their real purpose, the news analyst says, and goes on:

Seeking world supremacy, the United States is trying to attain its aggressive purpose in the Asia-Pacific region through its maritime strategy and regards Japan as the main stronghold.

The U.S. imperialists are planning to fly the arrows of their maritime strategy by using the Japanese bases and those arrows are leveled at the Korean Peninsula.

The Japanese reactionaries are joining and cooperating with them in their criminal strategy.

The "three non-nuclear principles" which they are advertising exist in name only.

The U.S. imperialists are bringing clouds of war to the Korean Peninsula from the sea, land and sky.

They must immediately discontinue reckless arms buildup in and around the Korean Peninsula and Japan must not leave her territory to the U.S. imperialists as an aggressive base.

South Korea

Iraq Agrees To Evacuate 'Almost 200' Koreans

SK1408052090 Seoul YONHAP in English 0514 GMT 14 Aug 90

[Text] Seoul, Aug. 14 (OANA-YONHAP)—Iraq will allow almost 200 South Koreans to leave Iraq and Kuwait for nearby Jordan this week, a Korean Government spokesman said Tuesday. He said about 200 "nonessential" personnel, out of 1,380 Koreans living in Iraq and Kuwait, may be allowed to make the trip to Jordan and from there return home. They include embassy staff, businessmen and dependents.

The Korean Embassy in Baghdad has reached an agreement in principle with the Iraqi Government to evacuate "nonessential" Koreans on humanitarian grounds and are negotiating details of the procedures, the spokesman said. Iraq has banned all foreigners from leaving or entering since it invaded Kuwait on Aug. 2.

Jordan has agreed that the Koreans may stay for seven days without entry visas on the condition that the Korean Government provides their food and lodging, he said. The government instructed the embassy in Baghdad to select a suitable spot in Iraq for the evacuation and negotiate with Jordan the procedures for their entry as soon as possible.

There are 732 Koreans in Iraq, including 660 construction workers and 52 businessmen, embassy staff and dependents: and 648 Koreans in Kuwait, including 319 construction workers, 39 embassy officials, 38 businessmen and dependents.

Reportage on N-S Visitors Exchange Continues

North Refuses Visitors List

SK1308104990 Seoul YONHAP in English 1026 GMT 13 Aug 90

[Text] Panmunjom, Aug. 13 (YONHAP)—South Korea has failed to deliver the list of members of some dissident organizations wishing to visit North Korea as Pyongyang refused to send liaison officials for picking it up at the truce village here Monday, thus casting a shadow over the path for an exchange of people later this week.

South Korean Prime Minister Kang Yong-hun proposed earlier that day that the two sides have a liaison officials meeting at the conference room of the Neutral Nations Supervisory Commission (NNSC) here at 3 P.M. Monday to deliver a list of South Korean citizens wanting to visit North Korea and their accompanying journalists and receive a written guarantee of their personal safety.

North Korea welcomed the South's move to allow dissidents visit the North but opposed the idea of having liaison officials meeting. "The South Korean Government should stop the unnecessary act of handing over the list," North Korean organizers of the "pan-national" rally said.

The North Korean reaction came soon after South Korean National Unification Minister Hong Song-chol announced Sunday that the South was ready to allow dissidents to go to the North for a pan-national rally planned by North Korea on Wednesday, the 45th anniversary of Korea's liberation from Japan.

Several groups of religious leaders and dissidents tried to cross the border on Monday in their response to North Korean proposal to have working-level contacts with them to discuss details of the planned exchange but failed to reach the border as the South Korean Government was determined to block their contact with the North under circumstances that North Korea does not formally guarantee the security and safe return of the people involved in the exchange.

Seven clergymen, including the Rev. [Reverend] Nam Kukhyon, left the Myongdong Roman Catholic Cathedral in Seoul at 9:30 A.M. but returned at 12:10 p.m. after an hour-long silent vigil near the bridge leading to the truce village. They had intended to go to the North to discuss celebrating mass at Changchungdong Cathedral in Pyongyang on Wednesday and at Panmunjom on Thursday.

At around 10 A.M., 10 students, including Yu Chi-yong, 23, president of the Students League at Hongik University and a member of a radical students body called Sochongnyon, were arrested while trying to enter Panmunjom. At around 12:30 P.M., three members of the South Korean preparation committee for the rally tried to enter Panmunjom to go to the North. After a 15-minute protest, they returned to Seoul.

Meanwhile, three North Korean organizations planning exchange of people—the Korean Students Committee, the Korean Catholic Association, and the committee for preparing the pan-national rally—proposed in their radio announcements later Monday to have working-level contacts with their respective South Korean counterparts at the NNSC conference room Tuesday, a South Korean official said.

A spokesman for the North Korean Students Committee reportedly said the North Korean side would deliver to the South Korean authorities a written guarantee of personal security of the South Korean citizens visiting North Korea. The South Korean Government has accepted applications from a total of 61,355 South Koreans, most of them members of the families divided in the Korean war, to visit the North but the North Korean side has baffled their hopes

by refusing to accept a list of their names. North Korea seems to be interested in inviting members of certain specific organizations in the South, widely regarded as dissident groups for their political propensity.

North Blamed for Exchange Failure

SK1408065890 Seoul YONHAP in English 0644 GMT 14 Aug 90

[Text] Seoul, Aug. 14 (YONHAP)—The South Korean Government on Tuesday issued a statement accusing North Korea of being unwilling to exchange people and reminding the North that the South had declared that anybody could visit the North if Pyongyang supplied a written guarantee of safe return.

Choe Pyong-po, spokesman for the National Unification Board, said that Pyongyang, by barring entry to South Koreans whom it had invited to visit, had shown the invitations were false.

On Sunday, South Korea asked North Korea to send liaison officers to the border village of Panmunjom on Monday to receive a list of South Koreans whom the North had invited. The North refused, however, saying that the governments of the two sides had nothing to do with a pan-national rally set for Wednesday.

The North has invited members of Chonminnyon (the National Alliance of Democratic Movements), South Korea's largest dissident group and Southern side organizer of the pan-national rally, some activist clergymen and radical students.

Choe said the South Korean Government hoped that inter-Korean exchanges would take place Monday-Friday and that the North would comply at an early date with the desire of separated families to be reunited.

Overseas Koreans May Cross

SK1408085190 Seoul YONHAP in English 0843 GMT 14 Aug 90

[Text] Seoul, Aug. 14 (OANA-YONHAP)—The South Korean Government said Tuesday it will allow overseas Koreans to cross from North Korea into the South through the truce village of Panmunjom. The offer only applies until Friday, the last day of a five-day period of free travel that has yet to see anyone cross the heavily fortified border.

About 400 overseas Koreans have reportedly arrived in Pyongyang to attend a rally and plan to march from Mt. Paektu in the North to Mt. Halla in the South.

A government spokesman said the overseas Koreans will be allowed through Panmunjom after their passports have been checked but did not say if the same will apply to North Koreans and other foreigners. The overseas Koreans will also be allowed to return to North Korea via Panmunjom after completing their march, he said.

Rally Headquarters Attempts To Contact North

SK1408003990 Seoul Domestic Service in Korean 0000 GMT 14 Aug 90

[Text] The promotion headquarters for the pan-national rally will hold a cultural festival today in the Yosei University as a second-day event for the pan-national rally, and some participating organizations will try to hold another working-level contact with the North Korean side at Panmunjom.

The National Council of University Student Representatives [Chondaehyop], one of the participating organizations, this morning will dispatch a total of 18 people including three delegates to Panmunjom in an attempt to again make contact with the student delegation from the North Korean side.

The Chondaehyop also decided to send 27 delegates to the ROK-U.S. Combined Forces Command to convey an open letter calling for three points including opening of the South side's area in Panmunjom, withdrawal of U.S. troops and nuclear weapons from Korea, and replacement of the Armistice Agreement with a peace agreement.

Meanwhile, since the working-level contact with the North Korea side in Panmunjom was aborted yesterday, the National Roman Catholic Priests Group for Justice abandoned its plan to make a three-day visit to North Korea. However, as the North Korean side proposed to hold a working contact at Panmunjom at 1400 this afternoon, it decided to send a working-level delegation consisting of about 10 people.

Burma

Myo Nyunt Addresses Rangoon Council 6 Aug

BK0708054390 Rangoon Domestic Service in Burmese 1330 GMT 6 Aug 90

[Excerpts] Commander Major General Myo Nyunt, chairman of the Yangon [Rangoon] Division Law and Order Restoration Council [YDLORC] met with chairmen of township zone law and order restoration councils and divisional departmental officials at 1430 today in the conference hall of the YDLORC on the first floor of the Yangon City Hall and explained the issues of the transfer of power, need for public service personnel to stay free of politics, and rumors being spread by internal and external organizations and foreign broadcasting stations aimed at creating disturbances. [passage omitted]

Speaking at the meeting on the issue of the transfer of power, the commander said it has been explained that the issue would be attended to according to Announcement No. 1/90 of the State Law and Order Restoration Council [SLORC]. It can be clearly seen from Announcement No. 1/90 that in order for power to be transferred, there should be a firm constitution which is accepted and endorsed unanimously by all national people.

Maj. Gen. Myo Nyunt said that Senior General Saw Maung, commander in chief of the Defense Services, had already explained how the weak points contained in the 1947 Constitution brought about the emergence of the Revolutionary Council in 1962 and stressed the need for drafting a definitive and firm constitution.

Continuing, he said he would like to explain the stand of political parties of national groups on the issue of constitution. Referring to a book recording the talks between the United Nationalities League for Democracy and the National League for Democracy [NLD], he said the chairman's speech in the publication stated that there would be eight states in the Union. On the issue of demarcation of states, the publication said previously the country of Myanmar [Myanmar racial group] is located above Thayetmyo in Upper Burma, that Ramanya—the country of Mon—is located below Thayetmyo, that the country of Rakhine is located in the west, and that the country of Shan is located in the east.

Maj. Gen. Myo Nyunt said that in the manifesto of the Mara People's Party, it was stated that in demarcating the states there should be one state, including Upper Burma and Lower Burma, while some national groups have presented their views on need for separate states. On th issue of the rights of the states, some suggested that the states should have their own armies and own separate currencies. Maj. Gen. Myo Nyunt said he had presented just a few points, but even then it can be seen from these that there are differences in opinions and danger to the Union. He said in view of these differences in opinions, we do not even have to think what would happen if power is transferred under an interim constitution. [passage omitted]

He said he would like to tell the public service personnel that we will transfer power without fail and that he would like to reiterate that the transfer will take place according to SLORC Announcement No. 1/90. [passage omitted]

Continuing, the commander explained the need for public servants to stay clear of party politics. He said Senior General Saw Maung, commander in chief of the Defense Services, had explained the need for public service personnel to stay clear of party politics, and the SLORC as well as the [Yangon] Division Law and Order Restoration Council have repeatedly issued directives on the issue. [passage omitted]

However, we have learned that some public service personnel are engaged in party politics. We learned this from information provided by good public service personnel who have correct conviction and awareness and from our own investigations. [passage omitted] Some have been warned and put on the list. If they continue to disregard the regulation despite the repeated warnings, severe action will be taken against them according to law. We have received letters of complaints concerning semilawful and unlawful actions by some public service personnel in charge of voting booths during the elections. We will not and need not take action as the Commission for Holding Multiparty Democratic Elections is in charge of the matter. [passage omitted] We know that even now some public service personnel are engaging in politics on office time and are operating in their departments—either quietly or openly. They are using office equipment to print and spread propaganda. It will be necessary for senior departmental officials to explain that these activities must cease. [passage omitted]

Next, the commander explained spreading of rumors by external organizations, foreign broadcasting stations, and BCP UG's [Burma Communist Party Underground operatives] in order to create disturbances. He said instigations are being carried out by unscrupulous persons and organizations whose objective is to work toward the path of 1988. They must be unhappy when the disturbances do not occur. They are now working to again create disturbances on 8 August 1990 [second anniversary of the 1988 disturbances]. He said we have already stated categorically that we will not allow a recurrence of the 1988 situation. He said it should be understood that our SLORC government is a military government which is using martial law and that it has the right to take immediate action and is capable of taking such action. He said he would like to instruct the senior departmental authorities to make certain that their personnel and their dependents would not take part in the disturbances. [passage omitted]

He said those bent on creating disturbances are not only trying to work for the disintegration of the Defense Services but are also trying to create misunderstanding by manipulating one organization against another or one person against another. For instance, he said, it has been said that there were differences between him and the secretary-1 of the State Law and Order Restoration Council, Maj. Gen. Khin Nyunt, over dismantling a

ward and that thanks to his conviction and persuasion the ward was prevented from being dismantled. This rumor was spread to create division. He said there was no reason for them to have division and dispute and there was no reason to be thankful. He said he was disclosing this in order to explain the modus operandi of others and to ensure there is unity among organizations and persons performing their duties. [passage omitted]

Brunei, Malaysia & Singapore

Malaysia

Further Developments in Iraq-Kuwait Situation

AFP Says Embassy To Close

BK1408055290 Hong Kong AFP in English 0517 GMT 14 Aug 90

[Text] Kuala Lumpur, Aug 14 (AFP)—Malaysia said it will shut down its embassy in Kuwait only after evacuating all its citizens from the gulf state annexed by Iraq last week, Foreign Minister Abu Hassan Omar said Tuesday. He said the decision to shut down the Malaysian Embassy was taken after Iraq announced it was withdrawing protection for all missions and diplomats based in Kuwait beginning August 24. "We are doing so for safety reasons, not for anything else," Mr. Abu Hassan said.

He did not set a date for closing the embassy, but said the Malaysian ambassador would not leave Kuwait City until all Malaysians were evacuated. He said Iraqi authorities had told the Malaysian Embassy in Baghdad that they would arrange to move all Malaysians from Kuwait to Baghdad to join other Malaysians awaiting evacuation. The Malaysians, including diplomatic staff and their families, would then be taken by buses from Baghdad to Amman before returning home. There are 147 Malaysians in Kuwait and at least 20 others in Iraq, according to Foreign Ministry officials.

The Philippines announced Monday that it would comply with Iraq's order and close its embassy in Kuwait, becoming one of the first countries to do so.

A senior Malaysian Foreign Ministry official said the decision to shut down the Malaysian Embassy did not mean Kuala Lumpur recognized the annexation following Iraq's invasion of Kuwait on August 2. "We have not asked the Kuwait Embassy here to close down. That shows that we still recognise the existence of Kuwait," he said.

Prime Minister Mahathir Mohamad said Muslims in Malaysia and elsewhere should not criticize Saudi Arabia for inviting U.S. forces into the kingdom to deal with the Iraqi threat. While it was easy to criticize the Saudis for seeking help from a non-Muslim country, Muslims outside Saudi Arabia should ask themselves whether they could match the assistance provided by the United States, the English-language daily, THE NEW STRAITS TIMES, quoted Dr. Mahathir as saying on Monday. "No Islamic nation in the world wants its independence to be wrested away whether by another Islamic country or not," Dr. Mahathir said.

Office Set Up in Amman

BK1408065190 Kuala Lumpur International Service in English 0600 GMT 14 Aug 90

[Text] Malaysia has set up a temporary office in Amman, Jordan, to facilitate the transportation of its citizens stranded in Kuwait and (?Iraq). Foreign Minister Datuk Abu Hassan said all Malaysians will be looked after by the officers in Amman and will be accomodated in whatever rooms available in hotels to wait for their departure for Malaysia. The office will hire buses from Amman to pick up the Malaysians from Baghdad. He said this at a news conference in Kuala Lumpur.

There are 147 Malaysians stranded in Kuwait following the Iraqi invasion and annexation of the oil-rich kingdom. They include 49 passengers from the British Airways [word indistinct]. Datuk Abu Hassan said the immediate concern now is to ensure the safety of the Malaysians. He expressed the hope they will be back in the next few days. He reiterated that Malaysia holds the Iraqi authorities responsible for the safety of the Malaysians. [sentence indistinct]

Envoy on Evacuation Efforts

BK1308171390 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 13 Aug 90

[Text] Mr. K. Nadarajah, Malaysia's ambassador to Iraq, has met Iraqi Foreign Ministry officials in Baghdad to ensure the speedy evacuation of Malaysian nationals trapped in Iraq and Kuwait. He told Iraq that it would be held responsible for the safety of Malaysian nationals.

According to the Foreign Ministry, Iraqi Foreign Ministry officials have given assurances that all Malaysian nationals are safe. Reports said there are about 140 Malaysians in Kuwait, including 48 British Airways passengers.

Mahathir Hopes No Hostages

BK1308170990 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 13 Aug 90

[Text] Prime Minister Dr. Mahathir Mohamed in Kuala Terengganu today expressed the hope that Malaysian citizens stranded in the Gulf crisis, in Kuwait and Iraq, will not be treated as hostages by either party. He said it would be against international conventions if the parties involved in the conflict were to hold Malaysian citizens as hostages.

Ghafar on Crude Production

BK1208081090 Kuala Lumpur International Service in English 0600 GMT 12 Aug 90

[Text] Malaysia may have to increase its crude oil production following the crisis in West Asia which has affected world oil output. Deputy Prime Minister Ghafar Baba said this in Kuala Lumpur last night. Malaysia's daily production now totals 500,000 barrels.

Mr. Ghafar said the country must ensure its industrial activities and economic developments are not adversely affected. The West Asia crisis has resulted in a drop in production from 5 million barrels of crude oil a day. This is due to the (?problem) of production with Iraq and Kuwait.

The deputy prime minister hopes the crisis will end immediately so that the world's economic activities can go on smoothly. He said Malaysia's export of palm oil to Iraq has also been affected. He stressed the need for Malaysians to diversify in economic activities especially in the industrial field to continue to progress. Mr. Ghafar was addressing a forum organized by the Malaysian Medical Association.

Singapore

BBC Interview With Lee Kuan Yew Reported

BK1408005690 Hong Kong AFP in English 0006 GMT 14 Aug 90

[Text] Singapore, Aug 14 (AFP)—China does not want a Khmer Rouge-dominated Cambodia because it would jeopardize the country's reconstruction as well as Beijing's own trade and aid prospects, Singapore Prime Minister Lee Kuan Yew said.

In a British Broadcasting Corporation interview scheduled for broadcast Tuesday, Mr. Lee also said China did not want to lose influence with dissidents in nearby countries—including Thailand—by dropping an ally. Mr. Lee told BBC Southeast Asia Correspondent Alexander Thomson: "I do not think the Chinese want to see a Khmer Rouge Cambodia. They're not stupid people. "They know that that will bring immense difficulties, not just with the industrial countries with whom they have to trade and get technology and capital, but also with the whole of the United Nations."

He asked who would help rehabilitate a Khmer Rouge-dominated Cambodia which, he said, would need some five billion to 10 billion dollars for infrastructure reconstruction as well as food and medicines.

At the same time, he said, the Chinese could not be seen to drop an ally and "they are not going to allow China's credibility as a great power to be cut down." Beijing "cannot allow the Khmer Rouge to just be written off and disappear into the night," Mr. Lee said. "That would diminish China's influence with other dissident groups all along her borders: in Burma, in Thailand, in Laos, in Vietnam," he said.

He added that China "has always understood it's necessary to have friends, supporters on the other side who could be helped at very little cost and who could do enormous damage."

Asked about the dissident groups he mentioned, Mr. Lee said they were "quiescent" in Thailand. "I think the Thais know that, and that it is necessary to have a regard for China's interest in order that it will remain quiescent," he said.

Mr. Lee was interviewed following a 48-hour visit to Singapore by Chinese Premier Li Peng, who continued his Southeast Asian tour in Bangkok.

He said Vietnam remained a major stumbling block to a Cambodian solution, especially after the U.S. decision to withdraw support for the Khmer Rouge-dominated coalition holding Cambodia's United Nations seat. "The Vietnamese are getting all their concessions for nothing," he said. "They are hoping now that they can restore ties with America and get economic aid resumed."

He said Hanoi had no incentive to put pressure on the government it installed in Phnom Penh more than 11 years ago.

"It's not worth China's while to be the spoiler if she can save her position as a country that can be depended on and one that does not abandon its allies. "But whether the Vietnamese can be prevailed upon to have (Phnom Penh Premier) Hun Sen test his fortunes in a secret ballot, that I'm not sure of," Mr. Lee said.

Cambodia

FRG Baden-Wuerttemberg Prime Minister Arrives

BK1108120690 Phnom Penh Domestic Service in Cambodian 1300 GMT 10 Aug 90

[Text] A delegation from the FRG led by Lothar Spaeth, prime minister of the state of Baden-Wuerttemberg, arrived in Phnom Penh on the morning of 10 August to pay a visit to the State of Cambodia.

Greeting the delegation at Pochentong airport were Comrade Chea Chanto, alternate member of the party Central Committee and planning minister; Comrade Long Visalo, deputy foreign minister; and many Foreign Ministry cadres. Comrade (Janos Tosmann), acting charge d'affaires of the German Embassy in Cambodia was also present to greet the delegation.

Meets Chea Sim, Hun Sen

BK1108122690 Phnom Penh Domestic Service in Cambodian 0430 GMT 11 Aug 90

[Text] On 10 August, during his visit to Cambodia, Lothar Spaeth, prime minister of the FRG's Baden-Wuerttemberg State, paid courtesy calls on Comrade Chea Sim, member of the party Central Committee Political Bureau, chairman of both the National Assembly and the National Council of the Kampuchean United Front for National Construction and Defense; and on Comrade Hun Sen, member of the party Central Committee Political Bureau, chairman of the Council of Ministers, and foreign minister of the State of Cambodia.

On this occasion, Lothar Spaeth was most warmly welcomed by Comrades Chea Sim and Hun Sen. He listened to statements by the two party and state high-ranking leaders on the development of the State of Cambodia in the past more than 11 years, particularly the search for a solution to the Cambodian problem.

Replying, Lothar Spaeth expressed great joy to the two leaders for the permission to pay a fact-finding visit in Cambodia. He also pointed out the profound impressions of the German people on the Cambodian issue. He promised to convey all the information to the German people to enable them to clearly understand the development of the State of Cambodia.

At 1200, Lothar Spaeth left safely for home. Seeing the delegation off at Pochentong airport were Comrade Chea Chanto, alternate member of the party Central Committee and planning minister; Comrade Long Visalo, deputy foreign minister of the State of Cambodia; and a number of staff from the Foreign Ministry. The comrade acting charge d'affaires of the German Embassy in Cambodia and colleagues also saw the delegation off at Pochentong airport.

SPK on Pakistani 'War Acts' Against Afghans

BK0808060390 Phnom Penh SPK in English 0511 GMT 8 Aug 90

["The Afghan People Must Be Left in Peace"—SPK headline]

[Text] Phnom Penh SPK August 8—The Afghan issue must be solved through political negotiations in order to end the conflict and ensure a peaceful life for the Afghan people in accordance with their wish.

Yet, the Pakistani military keep violating the Geneva Accords, bombarding residential areas, inflicting casualties on civilians, mostly women, children and elderly people, and destroying schools, hospitals, mosques and markets. Meanwhile, the Afghan reactionary elements have joined in Pakistani war acts, causing more sufferings to their own countrymen.

As victims of the Pol Pot genocidal regime and the protracted war conducted by the Khmer reactionary groups, the Cambodian people categorically condemn the inhuman crimes of the Pakistani aggressors and the Afghan reactionaries.

We demand that they stop forthwith all their criminal war acts and leave the Afghan people in peace.

We voice our full support for the legitimate demand of the Afghan people for the restoration of peace in the country and the establishment of good neighbourly relations with other peoples, for the sake of peace and stability in the region and the world.

Armed Forces Official Briefs Foreign Reporters

BK0708174490 Phnom Penh Domestic Service in Cambodian 1200 GMT 6 Aug 90

[Text] On 2 August at 13 October Hotel, Major General Than Chan, deputy chief of the General Political Department of the Cambodian People's Armed Forces, gave an interview on the general situation in the State of Cambodia to the reporters of THE BOSTON GLOBE and LOS ANGELES TIMES from the United States, TEMPO from Indonesia, (FREE LANCE) from Australia, RIAS Radio from the FRG, and (ESTERTOR) from France.

Comrade Maj. Gen. Than Chan briefed those correspondents on Cambodia's general situation since the complete withdrawal of Vietnamese volunteer troops, saying: Immediately after the repatriation of Vietnamese volunteer forces, the three Cambodian reactionary factions, supported and provided with war materiel by the West and Beijing, began large-scale military offensives with the aim of retaking Battambang, Banteay Meanchey, and Siem Reap Provinces. However, we were able to thwart their attempts, causing them heavy setbacks.

At present, they are still aiming at the three provinces but they have used new tactics in order to cut off main routes to hinder our supply convoys to frontline battlefields. Regardless of whatever tactics and strategies they employ, they can never achieve their poisonous goals. The only thing they can do is to infiltrate a number of remote villages and communes to plunder paddy and rice and slaughter the people. Over the past 11 years, they have increasingly incurred more and more serious defeats.

They have issued propaganda that they have overrun certain regions, provinces, or districts—such as their publicity that they have surrounded Battambang Province and captured Kompong Thom Province. These reports were misleading and only intended to fool world opinion into believing that their forces are powerful. In fact, their true objective is nothing but to reinstate the genocidal Pol Pot regime. The Cambodian people all over the country terribly hate this regime. No Cambodian wants to see it return to the country again.

Comrade Maj. Gen. Than Chan pointed out in conclusion that: Our Armed Forces are advancing and further

developing. They are themselves capable of assuming the task of defending the motherland and maintaining order and tranquillity for the people.

27 CPAF Political Department Cadres Promoted

BK0808030190 Phnom Penh Domestic Service in Cambodian 1200 GMT 7 Aug 90

[Text] On the morning of 4 August at the office of the General Political Department of the Cambodian People's Armed Forces [CPAF], a ceremony to confer promotion on cadres of the department was held under the chairmanship of Comrade Major General (Tha Thanchan), deputy chief of the CPAF General Political Department. Attending the ceremony were chiefs and deputy chiefs from various CPAF departments as well as several cadres from the General Political Department.

Following the bestowal of the rank of captain on 24 officers and the rank of senior lieutenant on three others by himself and by Comrade Lieutenant Colonel Preap Tan, chief of the CPAF Propaganda and Education Department, Comrade Maj. Gen. (Tha Thanchan) praised our cadres who had achieved great successes in the past and had actively involved themselves with CPAF combatants in winning all kinds of victories during the 1989-90 dry-season battle, in particular in the battle at the beginning of this rainy season. He urged all the cadres to effectively play their roles in serving the people by firmly adhering to party and state regulations and laws. As they are born of the people and ready to make all kinds of sacrifices for the motherland's independence and the people's happiness, the cadres should transform themselves into the party's sharpened instruments with a view to serving the people and the motherland, promoting the fine tradition of the CPAF, and gaining the people's confidence.

The ceremony ended with zealous determination in an atmosphere of joy.

Defense Ministry Sums Up Kompong Thom Actions

BK0708122790 Phnom Penh Domestic Service in Cambodian 1300 GMT 6 Aug 90

[Text] The Defense Ministry held a meeting at the conference hall of Kompong Thom Province on the afternoon of 3 August to sum up the results of the mopping-up operations conducted by the Cambodian People's Armed Forces [CPAF] on the Kompong Thom Province battlefield. The meeting was held in the presence of Comrade Lieutenant General Pol Saroeun, alternate member of the Party Central Committee Political Bureau, deputy minister of national defense, and chief of the General Staff of the CPAF. Attending the meeting were commanders of various CPAF units and members of Kompong Thom Province's party and people's committees, as well as many leading officials of various provincial and district offices and units.

According to the report read by Comrade Lieutenant Colonel (Prum Chinmen), aide from the Combat Commission, from 3 to 25 July courageous cadres and combatants of CPAF units cooperated with each other in conducting mopping-up operations against the bandits attempting to launch savage subversive attacks against the people in a number of areas in Kompong Thom Province. As a result, we put out of action 577 enemy soldiers, including 433 killed on the spot, 58 captured, and 78 forced to surrender [all figures as heard]. At the same time, we seized 127 assorted weapons and destroyed 1,000 B-40.5 rockets, two DK-75 cannons, and some war materiel.

A number of outstanding individuals and units were cited for their feats of heroism against the enemy. The meeting participants also thoroughly discussed and exchanged experiences gained in the recent sweep against the bandits in Kompong Thom Province.

During the closing ceremony, Comrade Lt. Gen. Pol Saroeun praised the cadres and combatants for their many remarkable victories on the Kompong Thom battlefield. He urged CPAF units to continue upholding vigilance and maintaining close unity and cooperation in order to further develop past victories in the advance toward completely smashing the adventurous moves of the Pol Pot bandits and other reactionary Khmer groups.

Phnom Penh Gives Reports on Battle Activities

Notes Banteay Meanchey Actions

BK0608064490 Phnom Penh Domestic Service in Cambodian 0430 GMT 6 Aug 90

[Text] In the first six months of 1990, thanks to the unified leadership of the local party, authorities, and army command, the provincial and district Armed Forces and local militia units throughout Banteay Meanchey Province effectively used the combined forces and combined measures in their sweep operations against the enemies.

During this period, the Armed Forces in the province launched 542 operations and put out of action 1,951 enemy soldiers, including 1,006 killed, 704 wounded, and 96 captured [all figures as heard]; seized 162 assorted weapons, five field radios, 40 metric tons of assorted ammunition, 60 mines, 24 grenades, and a case of TNT explosive powder; and destroyed 13 weapons.

Jul Nationwide Results

BK0708172590 Phnom Penh Domestic Service in Cambodian 0430 GMT 7 Aug 90

[Text] In July, despite their continued shelling of some border regions and their attempt to infiltrate some remote areas to plunder the people's property, our Armed Forces from all units upheld their mastery and were able to counterattack the enemies on a timely basis.

As a matter of fact, our regular, regional, militia, and people's police forces, shoulder-to-shoulder, launched search-and-destroy operations and ambushes against the enemies, causing them continuous serious setbacks. As a result, we put out of action 1,363, including 946 killed, 311 captured, and 106 who were forced to surrender. Along with this, we seized 307 assorted firearms, over 20 tons of ammunition, four field radio sets, a great many land mines, and a significant quantity of war materiel.

Casualties in 5th Military Zone

BK0808061390 Phnom Penh SPK in English 0502 GMT 8 Aug 90

[Text] Phnom Penh SPK August 8—In July, the Armed Forces of the 5th Military Zone wiped out 109 enemy soldiers, wounded 28, captured seven and forced 44 others to surrender. They also seized 68 rifles and a quantity of ammunition.

In the last dry season, the government troops of the same military zone, which consists of part of Battambang and Pursat, killed 1,262 enemy troops, wounded 116 and captured 62 others.

Meanwhile, the government troops seized 615 assorted guns, 45 tons of ammunition, 8,950 land-mines, and a large quantity of other war means. They also destroyed 20 [metric] tons of ammunition, 39 firearms, thousands of mines, 150 shelters, a number of trucks and motorboats, and a quantity of other war materials.

Worthy of note is that on July 30, the Armed Forces of the 5th Military Zone in their close cooperation with the local militiamen, wiped out 15 enemy troops and wounded five others. They seized three B-40 rocket launchers, seven firearms and a quantity of ammunition, and destroyed five enemy shelters.

Besides in the ten days ended on July 30, the 5th Military Zone Armed Forces annihilated 41 enemy troops and captured one other.

In the period under review, 12 clandestine enemy agents were unmasked and 61 others deserted their ranks and came over to the nation's fold.

Also in July, the government forces of different military zones in their 79 mopping-up operations, put out of action 1,363 enemy troops, including 946 killed, 311 captured and 106 others forced to surrender. They seized 307 assorted guns, 20 [metric] tons of ammunition, four walkie-talkies, three land-mines and a quantity of other war means.

Surrenders in Border Provinces

BK0408165490 Phnom Penh SPK in English 0505 GMT 4 Aug 90

[Text] Phnom Penh SPK August 4—Recently, 26 enemy troops from the coalition of Democratic Kampuchea deserted their ranks and reported themselves to the authorities in Kompong Thom Province, 150 km north of Phnom Penh.

In the 1989-90 dry season, the authorities of Kompong Svay District, same province, received 48 enemy troops who returned to the nation with 39 assorted guns. They included 36 ex-Polpotists and 12 ex-Sonsannians.

In mid-July, the authorities of Ratanamondol District, Battambang Province, 300 km northwest of Phnom Penh, received six returnees with three firearms.

18-28 Jul Results Reported

BK0708173190 Phnom Penh Domestic Service in Cambodian 1200 GMT 6 Aug 90

[Text] Between 22 and 28 July, our Cambodian People's Armed Forces [CPAF] launched 10 sweep operations against the enemies. Our CPAF put out of action 136 enemy soldiers, including 119 killed, another captured, and 16 who surrendered. We also seized 15 assorted weapons, an ICOM walkie-talkie, and a large quantity of war materiel.

On 20 July our Armed Forces fired 20 BK-21 rockets into enemy hideouts 12 kilometers northeast of Chongkal District [Siem Reap-Oddar Meanchey Province], killing 40 enemy soldiers and wounding some others. On 25 July we fired BM-21 rockets into enemy hideouts at Tuol Ka Ngaok 20 kilometers south of Nimit [Battambang Province], killing 47 enemy soldiers and wounding some others.

In the 4th Military Region, between 18 and 24 July, our valiant Armed Forces, by using the effective combined forces, combined means, and combined measures, launched 12 successful sweep operations against the enemies inside and around their defense perimeter during which they put out of action 152 enemy soldiers, including 125 killed and 25 others who surrendered and brought along 24 weapons; seized 21 weapons; and captured five enemy agents and 19 weapons.

In the direction of the 4th Division in the 5th Military Region, on 27 July our valiant Armed Forces repulsed in a timely manner the Pol Pot soldiers who were attempting to infiltrate our area. We killed 15 of them on the spot, captured another, and seized 11 weapons, four mines, 20 rucksacks, and a quantity of war materiel.

On Hill 301 our Armed Forces in the 67th Regiment killed 11 enemy soldiers and seized a C-71 field radio.

Also on 27 July our valiant Armed Forces in the 196th Division launched a sweep operation against the enemies in an area 15 kilometers from Soeng, killing 15 enemy soldiers, including a regiment commander; capturing another; and seizing 15 assorted weapons and a quantity of war materiel.

27 Jul Ratanamondol Actions

BK0608055690 Phnom Penh SPK in English 0439 GMT 6 Aug 90

[Text] Phnom Penh SPK August 6—On July 27, the Armed Forces of Ratanamondol area, Battambang Province, 300 km northwest of Phnom Penh, wiped out 26 enemy troops and captured one and seized 15 assorted guns and a quantity of other war means.

In July, the authorities of Banteay Meanchey Province, 360 km northwest of Phnom Penh, received 92 enemy troops, who returned to the nation, bringing along 26 firearms and a number of other war materials.

27 Jul Actions in Battambang

BK0908052690 Phnom Penh SPK in English 0444 GMT 9 Aug 90

[Text] Phnom Penh SPK August 9—On July 27, the Armed Forces of Battambang Province, 300km northwest of Phnom Penh, wiped out 15 enemy troops and captured six others of the so-called Polpotist Division 415. They also seized 15 guns and a good quantity of other war means.

Since early this rainy season, the Armed Forces of the same province killed 28 enemy troops, captured one and forced 13 others to surrender. They seized 17 assorted fire-arms and a number of other war materials.

In the 1989-90 dry season, they killed a total of 271 enemy troops, captured six and seized 35 guns of various calibers and 30 [metric] tons of ammunition.

More Casualties in Svay Chek

BK0708063390 Phnom Penh SPK in English 0446 GMT 7 Aug 90

[Text] Phnom Penh SPK August 7—According to military sources from the 4th Military Zone, the government forces killed 83 enemy troops, captured two, wounded 24 others, and seized a quantity of war means in fighting at "Svay Chek" base in Banteay Meanchey Province.

The 4th Military Zone consists of Siem Reap, Banteay Meanchey and part of Battambang.

The sources said that the attack broke out on August 2 with the involvement of some 700 enemy troops.

—In the week to July 28, the government forces put out of action 118 enemy troops, including 104 killed, two captured, and 12 others forced to surrender, in skirmishes along the northwestern border.

The government troops also seized 12 firearms, one walkie-talkie, and a quantity of other war means.

Soldiers 'Put Out of Action'

BK0908060590 Phnom Penh SPK in French 0422 GMT 9 Aug 90

[Text] Phnom Penh, 9 Aug (SPK)—During the week ending 4 August, the three Khmer opposition groups intensified artillery firing on some regions of Battambang, Banteay Meanchey, and Siem Reap-Oddar Meanchey Provinces adjacent to Thailand.

On 31 July alone enemy artillery pieces fired 200-round barrages on Bavel and Bos Sbov.

During the same period the Cambodian People's Armed Forces put out of action 376 enemy soldiers, including 334 killed and 40 captured. They also seized 70 assorted weapons and a considerable quantity of ammunition.

Radio Reports Farming Activities Nationwide

BK0408113390 Phnom Penh Domestic Service in Cambodian 2300 GMT 3 Aug 90

[Text] According to a report by the Agriculture Ministry's Agronomy Department, by 28 July, over 515,000 hectares of land had been tilled throughout the country and over 56,000 hectares of rice sowed; over 222,000 hectares of various types of rice had also been transplanted and broadcast, or nearly 14 percent of the plan. The provinces that have achieved the most are Battambang, Banteay Meanchey, and Kompong Thom.

Khieu Samphan Arrives in Senegal for Visit

BK1008020290 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 9 Aug 90

[Text] His Excellency Khieu Samphan, vice president of Cambodia in charge of foreign affairs, arrived in Dakar on 8 August for a friendship visit to Senegal.

Upon arrival at Dakar airport, His Excellency Vice President Khieu Samphan and his delegation were warmly and cordially welcomed by their excellencies Senegalese foreign minister and presidential adviser, his excellency the Senegalese ambassador to the United Nations and his wife, and many high-ranking officials of the Senegalese Foreign Ministry.

Also on hand at the airport to welcome His Excellency Vice President Khieu Samphan and our delegation were His Excellency Hing Un, Cambodian ambassador to Senegal, his excellency the ambassador of the People's Republic of (?China), his excellency the ambassador of the Kingdom of Thailand, his excellency the ambassador of the DPRK, and his excellency the ambassador of the Republic of Indonesia.

Talks With President

BK1108020090 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 10 Aug 90

[Text] His Excellency Abdou Diouf, president of the Republic of Senegal, held talks at the state palace on 9 [illegible] with His Excellency Khieu Samphan, vice president of Cambodia in charge of foreign affairs, who is on a visit to Senegal.

During the meeting, His Excellency Abdou Diouf reiterated Senegal's support for the Cambodian National Government and the Cambodian people's struggle to seek a comprehensive political solution to the Cambodian problem so as to enable the Cambodian people to enjoy their right to self-determination.

Also present at the meeting were His Excellency Seydina Oumar Sy, Senegalese foreign minister; Her Excellency Mrs. Claude Diallo, Senegalese ambassador to the United Nations; and His Excellency Hing Un, Cambodian ambassador to Senegal.

PRC-Indonesia Relations Termed 'Beneficial'

BK1408023290 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 13 Aug 90

[Text] During the visit of Chinese Prime Minister Li Peng to Singapore from 11 to 13 August, leaders of the two countries expressed their happiness in resuming diplomatic relations soon. A few days earlier, China and Indonesia resumed diplomatic relations. This is a major event beneficial to safeguarding peace, security, and stability in Southeast Asia and the Asia-Pacific region.

Sihanoukists Deny Forced Refugee Repatriation

BK0808013790 Bangkok BANGKOK POST in English 8 Aug 90 p 4

[Text] The Sihanoukists yesterday denied reports that Cambodian refugees were being forcibly moved from the border camp to combat zones inside Cambodia.

The Office of the Personal Representative of Prince Sihanouk, which administers Site B in Surin Province, issued a statement yesterday saying that repatriation of the camp population would not occur without a comprehensive solution to the Cambodian problem. "All repatriation of Cambodian refugees or displaced persons living in the camps in Thailand should be carried out only on a full voluntary basis," the statement said.

However, the Sihanouikist faction acknowledged a movement of people from Site B to the interior of Cambodia since December 1989. The faction described it as "uniquely a spontaneous phenomenon based solely on the free will of the soldiers' families who have decided to follow their husbands and settle in the existing liberated zones of Cambodia which are secure and safe."

Resistance Provides Reports on Combat Actions

SRV Troops 'Uncovered'

BK0608031990 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 5 Aug 90

[Text] According to reports from Stung Treng and Preah Vihear Battlefields, in late July, the Cambodian National Resistance Forces, in concert with our people, uncovered Vietnamese troops hiding in forests in Stung Treng and Preah Vihear Provinces. About a division of Vietnamese troops was hidden in the forest southwest of the Stung Treng provincial town, and another division in the forest south of Stoeng Village in Preah Vihear Province.

21 Jul Actions in Ampel

BK0608090490 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 5 Aug 90

[Text] On 21 July the Vietnamese enemies and puppets mustered 200 soldiers, backed by two T-54 tanks and artillery pieces, in an attempt to clear out the way between Kouk Mon and Tonle Sar [Ampel District, Oddar Meanchey Province]. However, they were ambushed and bombarded at Totoeng Thngay Village and forced to beat a hasty retreat. We killed six and wounded seven enemy soldiers, destroyed a T-54 tank, and seized two AK assault rifles and some war materiel.

On the morning of 22 July the Vietnamese enemies and puppets gathered another contingent of 180 troops in a new bid to reopen the route. However, they were intercepted and forced to step on our land mines. As a result, we killed nine more enemy soldiers, destroyed one AK rifle, and seized a B-40 rocket launcher and one AK assault rifle. Those who survived the attack were dispersed and forced to retreat behind their lines.

SRV Reinforcements Arrive

BK0408120590 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 4 Aug 90

[Text] A report from the Khmer People's National Liberation Front says two brigades of Vietnamese troops were recently dispatched to Cambodia to help defend the regime Vietnam has propped up against the attacks by Cambodian resistance forces. The reports says that on 24 July, Vietnam dispatched two brigades of its troops to Cambodia. These soldiers were selected from the 213th, 214th, 215th, and 217th Regiments and sent to assist in defending Battambang provincial town, Sereisaophoan town, and other major townships which are being surrounded by Cambodian resistance forces. The report further says that Vietnam has dispatched 30 Vietnamese spies, fluent in spoken and written Cambodian, to carry out various activities in the areas controlled by the Cambodian resistance.

Soldiers Killed in Ampel

BK0608091090 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 5 Aug 90

[Excerpt] On 25 July the Vietnamese enemy aggressors and traitorous Vietnamese puppet leaders Hun Sen and Heng Samrin marshaled 300 Vietnamese soldiers, wearing the puppet army uniforms and mixed among the Vietnamese lackey troops, from Kouk Mon [Ampel District, Oddar Meanchey Province] in a bid to launch a two-front attack to retake liberated villages from us.

The first front was directed from Samraong, Tonle Sar, and O Rumduol toward Po Thmei. The second front, backed by a tank, was launched from Kouk Mon along Route 69 against Totoeng Thngay Village.

However, they were intercepted, routed, and forced to beat a hasty retreat by our people and national resistance forces. They then stepped into our mine fields, jumped into our spike pits, and came under our artillery bombardment. As a result, we killed 24 and wounded 31 Vietnamese-puppet soldiers, and we seized many guns and a significant quantity of war materiel. [passage omitted]

Villages 'Liberated' 29 Jul

BK0608092190 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 5 Aug 90

[From the "Daily Report from Various Battlefields" feature]

[Excerpt] On 29 July, our national resistance forces unleashed a commando attack against and completely destroyed the Vietnamese-puppet position at Totoeng Thngay railway station in Krakor District [Moung-Pursat battlefield]. We killed two enemy soldiers and wounded three. We also destroyed two AK's, three B-40 rocket launchers, a railway station, and 100 meters of railway track. Our forces seized one AK assault rifle and some war materiel. We liberated the following two villages: Boeng Veal and Totoeng Thngay. [passage omitted]

SRV Hideout Discovered

BK1008021390 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 9 Aug 90

[Text] On 1 August, our national resistance forces permanently assigned on Moung-Pursat battlefield together with the local people discovered a hiding place of the Vietnamese 4th Division housing 700 men. These 700 Vietnamese forces were seen hiding in the jungles near Anlong Kop, Sieng, and Prey Totoeng villages in Robos Mongkol Commune, Moung District, Battambang Province.

Note on their lifestyle: Some of them wore the puppet army's uniforms; others disguised as ordinary citizens were herding oxen or looking for firewood.

390 SRV Troops Sent to Kampot

BK1408003690 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 13 Aug 90

[Text] On 6 August, the Hanoi Vietnamese enemy aggressors dispatched 390 Vietnamese soldiers disguised as puppet troops to Cambodia. These soldiers were brought by ship to Kampot, taken along National Route 3, and deployed along Chamka Dong and the road in Don Yai in Chhuk District, Kampot Province.

Laos

Information Cooperation Pact Signed With SRV

BK0708122190 Vientiane Domestic Service in Lao 1200 GMT 4 Aug 90

[Text] On 2 August, the Justice Ministries of Laos and Vietnam signed an agreement on information cooperation between the two countries during the period 1991-92. The document was signed by Phan Hien and Kou Souvannamethi, justice ministers of Vietnam and Laos respectively. The Lao delegation visited Vietnam from 17 to 31 July. During the visit, the delegation held working meetings with public prosecutors attached to the Supreme People's Court and representatives of the Supreme People's Court and the Advanced Law School of Vietnam. They met with other officials concerned.

Vientiane Reports Delegation's Visit to Burma

BK0608124790 Vientiane Domestic Service in Lao 1200 GMT 6 Aug 90

[Text] On 5 August, a delegation of the Lao People's Democratic Republic headed by Deputy Foreign Minister Souban Salitthilat left Vientiane for an official visit to the Union of Myanmar [Burma] at the invitation of the foreign ministry of the Union of Myanmar. The Lao delegation is scheduled to hold consultative meetings with the Myanmar side for the improvement of relations and border cooperation between the two countries.

Souphanouvong Pays Three-Day Visit to Saravane

BK1008095490 Vientiane KPL in English 0903 GMT 10 Aug 90

[Text] Vientiane, August 10 (KPL)—During his recent visit to the southern Saravane Province, President Souphanouvong highly valued the people of all ethnic groups in Saravane Province, who have overcome the difficulties and fulfilled the tasks of defence and economic construction in their province.

During his three-day visit to Saravane, President Souphanouvong met with the party and administrative committees and talked with the people in various production bases in the province. He mentioned that 15 years earlier, Saravane was one of the provinces in the country which were heavily ravaged by the war. But today,

thanks to the heroic tradition, patriotism and unity among the people in the province, Saravane has acquired a new face in economic development, thus increasing the living conditions of the people of all ethnic groups in the province.

Sali Vongkhamsao Reports on Financial Work

Installment Two, Part Two

BK1108142590 Vientiane Domestic Service in Lao 0030 GMT 1 Aug 90

[Second installment of part two of "Report on Financial Work During the Past 15 Years and New Direction and Primary Functions of Financial Work," presented by Sali Vongkhamsao, vice chairman of the Council of Ministers and minister of economy, planning, and finance, at the first nationwide financial conference held in Vientiane on 21 June—read by announcer; for first installment of part two, see page 36 of the 10 August East Asia DAILY REPORT]

[Text] The state budget is divided into two parts, revenue and expenditure. To cope with the budget expenditure, the state must know how to manage, maintain, and fully mobilize all social revenue sources in accordance with the policies promulgated nationwide by the center. No sectors or localities should be allowed to apply a regulation that contradicts those policies. They must strictly implement the budget revenue policy [words indistinct] and the expenditure must be thoroughly computed to ensure correctness and efficiency. These are the fundamental measures to guarantee the strength and efficiency of state power in directing the expansion of national economy.

A. The budget revenue:

Regarding domestic revenues, we must attach significance to tax collection. Domestic revenue sources are influenced by the taxation policy that is translated into law. In addition to taxes, collection of different kinds of fees can also help boost domestic revenue. We regard domestic revenue sources as the foundation of the state budget. Therefore, the state must pay attention to the expansion of the national economy. In particular, it must create conditions favorable to the development of a commodity-oriented economy with an aim to expanding domestic revenue sources at an appropriate rate and their proportion in the budgetary revenue structure. In order to achieve that goal, we must implement the following measures:

1. We must continue to propagate and implement nationwide Resolution No. 47 on the collection of each type of tax and guide localities to correctly implement the taxation policy uniformly.
2. We must organize the collection of taxes and inspection of tax payment at all localities in a democratic manner, implement all measures designed to facilitate tax collection work including the promulgation of the regulations on registration of enterprises, business production units at grass roots, and other economic sectors, regulations on collection of import and export duties, and regulations on management of agricultural land and other natural resources and others.
4. [number as heard] We must make full use of mass media facilities to heighten the people's awareness of their tax payment obligation to the state. At the same time, we must make it a policy to praise or award sectors, organizations, and individuals for their help in preventing tax evasion.
5. We must accelerate the establishment of tax collection apparatuses nationwide, and train tax cadres to increase their efficiency, knowledge, qualifications, and sense of responsibility.
7. [number as heard] We must correct any tax if it is proves to be impractical for collection and impose new types of fees such as those imposed on luxurious goods by the end of 1990.

On revenue sources from foreign countries, as we are mobilizing domestic revenue sources, we must continue to seek foreign assistance and loans to keep our budget expenditure well balanced while making use of the state credits scheme so as to end currency printing. Past experiences tell us that we will have to concentrate on solving some basic problems so as to ensure efficiency and fulfillment of the objectives of the expenditure, thrift, and solvency. [Passage indistinct] The Council of Ministers should concentrate on investment in projects of strategic significance, strengthen the economic structure, and broaden the ability to produce goods for export. These actions are aimed at ensuring the efficiency of investment and quick achievement for each project [word indistinct]. We must act responsibly in handling and controlling investment funds from foreign financial sources allocated to the state budget, business production units from every economic sector by using all leverage apparatuses such as taxation policy, monetary policy, credit policy, import and export policy, and investment policy.

Revenue from state credit. This revenue comes from the mobilization of credits from the people through the use of interest leverage policy in many forms such as selling bonds and debentures and mobilizing public savings deposits. Besides earning more revenue for the state budget, state credit is also useful in the way that it stabilizes market prices. To make full use of state credit, we must ensure the liquidity of state credit instruments. For instance, we should use the short-term state credit instruments that can be swiftly bought and sold in the financial market, which must be under state control.

Radio Says Opium Used as Weapon Against U.S.

BK0708172990 (Clandestine) Radio Station of the Government for Liberation of the Lao Nation in Lao 0100 GMT 6 Aug 90

[Text] According to a report from the front line area in Xieng Khouang Province, a finance and political cadre

of the odious Kaysone regime attached to a government trading shop in the province recently said that the party and government have instructed them to strive to encourage local people to grow poppy plants for processing into narcotics in a sufficient amount to meet targets set forth to meet the call of the [party and state] leaders to produce as much opium as possible for sale to American [consumers] in return for more dollars. The U.S. currency will then be used to purchase weapons, war materials, and bulldozers. At the same time, the narcotics will be used to lead the American public astray, thus turning U.S. youths, government authorities, policemen, and soldiers into drug addicts. The odious regime believes that only by using opium will it be able to defeat the United States.

The odious regime's key finance cadre made the above-mentioned statement at (Ban Nanong) village, Soui Canton, Xieng Khouang Province.

Airfields Reportedly Built for SRV Aircraft

BK0708172790 (Clandestine) Radio Station of the Government for Liberation of the Lao Nation in Lao 0100 GMT 6 Aug 90

[Text] According to a report from the front line area in the southern region, the party and government of odious Kaysone are making preparations to maintain their rule in Laos for as long as possible. This intention can be seen from the various measures they have implemented so far, aimed at convincing the people to believe that their odious regime is invincible. In spite of the fact that socialism is now facing bankruptcy throughout the world, odious Kaysone still believes in his invincibility. Of course, Kaysone and his men cannot allow the power to slip from their hands.

In addition to implementing some new laws and the Constitution, as well as certain strict measures as their tools to maintain power, they have built more airfields in many localities with a view to bringing the Vietnamese Air force's aircraft to serve their notorious scheme. For example, in Pakse, Champassak Province the expansion of the airfield there has been going smoothly so far.

Clandestine Radio on Vientiane Province Attack

BK1008130290 (Clandestine) Radio Station of the Government for Liberation of the Lao Nation in Lao 0100 GMT 10 Aug 90

[Summary] "According to a report from the 2d Military Region, in the recent past, a series of operations launched by the people's armed forces struggling for democracy have driven the odious Kaysone regime into disarray both in the provinces and at the center."

Our commando unit recently successfully attacked and destroyed a position of the odious forces in Sanakham District, Vientiane Province. We managed to seize a large quantity of supplies and weapons from them. Alarmed by the incident, the odious Kaysone regime took steps to arbitrarily close the border point in the district with Thailand. This was done because the clique suspected that our combatants had crossed the border into Laos from the Thai side to stage the attack.

"We are not that crazy, and the Thai authorities are not so blind as to allow the Lao national liberation forces to freely operate from their territory. People should not be so foolish as to think that we would do such a thing. At present, our fighting units have already seized territory (?all over) Laos. Our motto is: To live like a ghost, to escape like the wind, and to coordinate with one another in a lightning manner."

As a result of this development, the joint border committees of Thailand and Laos have decided to postpone the border cultural festival from 19 September to 5 October.

Clandestine Radio on Plight of Hmong People

BK0508094990 (Clandestine) Radio Station of the Government for Liberation of the Lao Nation in Lao 0100 GMT 2 Aug 90

[Summary] The promulgation of the law on the people's court since early this year has been causing much trouble to the Lao people nationwide. However, the power-holders in Vientiane boast that the people welcome this new law. The fact is that the people are forced to give their approval to this legislation. "Under the dictatorial regime, the leaders can say anything they want to and use all kinds of means to force the people to obey them." They are trying to convince the people that "socialism can turn the country into a paradise and the communist leaders are like angels." What they are doing is bringing calamity to the country. Millions of people have to flee the country. Eventually, both the party and the leaders will perish. Let us take a look at how good this law is.

Eight hundred Hmong people in (Phonthong and Phalat) townships were recently arrested by the red Lao authorities on a charge of breaking the law. Their crimes are that they are too poor to pay the authorities and their relatives abroad act against the party and its leaders. Those who were arrested included the people who cannot pay 5,000 kip per family or provide 100 kg of rice per family to the red Lao authorities. The red Lao authorities also demand one cow or buffalo, four kg of pork, two kg of chicken, and one jar of lard from each family in the area. The people are required to pay 200 kip for a travel permit so that they can leave their homes to work on their farms. Anyone who refuses to comply with these regulations will be arrested. A number of arrested people were reportedly tortured to death. The Hmong compatriots in the area of (?Nam Gneum Dam) are now living under the barbarous rule of the red Lao authorities.

"Dear Lao compatriots, the odious regime claims that it has adopted new concepts. In practice, it is as cruel as any Stalinist regime. How long do the Lao people have to tolerate them?"

Clandestine Radio on Rice, Medicine Shortages

BK0508100590 (Clandestine) Radio Station of the Government for Liberation of the Lao Nation in Lao 0100 GMT 2 Aug 90

[Text] Poverty and food shortages in Laos has reportedly been worsening every passing day. Shortages of rice, the staple food of the Lao people, are so severe that the people have to go out to find edible roots which have also become scarce. The people have no money to buy rice. They cannot go into the jungle to hunt or gather vegetables because the military does not allow them to travel more than two km into the jungle. The people who want to buy rice must have a domicile registration certificate. Rice can be brought only with baht currency. If not, buffalo or cows can be used instead of money. [sentence indistinct] However, rice as well as other consumer goods are available for party members, not ordinary people.

The shortage of medical supplies is even worse. The rich people have access to medical treatments, while the poor have to rely on herbal medicines. Patients from remote villages were admitted to Mahosot Hospital just to die because even such a big hospital runs short of medical supplies. It is a pity that despite guidance from the party, political ideology, and smart leaders, the Lao people still live in poverty. As for Kaysone, Nouhak, Khamtai, and Sisavat, they always have plenty to eat and drink. They have big cars, subordinates, beautiful houses, and huge bank accounts in foreign countries. If the Lao people are afraid to make sacrifices, their difficulties and hardships will remain forever.

Philippines

Reportage on Middle East Situation Continues

Millions in Lost Remittances Seen

HK1108074090 Manila THE MANILA CHRONICLE in English 11 Aug 90 p 10

[By staff member Booma Cruz]

[Excerpt] The Philippine government stands to lose millions of dollars if the Iraq-Kuwait conflict drags on and Saudi Arabia joins the fray, Labor Undersecretary Antonio Hechanova said yesterday. Hechanova, who handled the employment portfolio at the labor department prior to being detailed in Malacanang for the Philippine Assistance Program, said the war has frightening implications.

"A drastic drop in remittances from Kuwait, Iraq and possibly Saudi Arabia would definitely affect the country's economy since overseas employment has been one of the major sources of foreign exchange for the government," he said. Filipino overseas contract workers (OCWs) in Kuwait placed ninth in the value of remittances, having sent more than $49.5 million to the country through official banking over the past 12 years. Last year's remittances from Kuwait were the highest ever, amounting to $27.4 million, or an average of $2.3 million a month.

"If the war continues until the end of the year, which we hope does not occur, government could lose as much as $11.5 million at year end in remittances from Kuwait alone. If we add remittances from Iraq and Saudi Arabia, that would be a big blow to the country," Hechanova said.

Filipino workers in Saudi Arabia placed second in terms of remittances, after those in the United States, with more than $1.498 billion sent home over the past 12 years.

The total remittances of Kuwait and Saudi Arabia make up 35% of the top ten countries in terms of money sent by OCWs from foreign host countries.

Sen. Ernesto Herrera, chairman of the Senate labor committee, also expressed alarm over the possible loss of some $1.3 billion annually in foreign currency earnings if the Iraq-Kuwait conflict continues and spreads to Saudi Arabia. "This is a conservative estimate of the yearly dollar remittances of about 450,000 Filipino OCWs in Iraq, Kuwait and Saudi Arabia," Herrera added.

OCWs remit an estimated $1 billion every year through the official banking channels. This amount was expected to be more than doubled after banks actively participated in the remittance business. A total of $700 million has been remitted for the first half of the year.

The "demonitized" dinar and the freeze order on Iraqi and Kuwaiti assets would also affect not only the incomes of OCWs in the Middle East but also their remittances.

Hechanova feared the probable increase in unemployment in the country due to war in the Middle East. There are about 60,000 Filipino OCWs in Kuwait, 3,000 in Iraq and more than 500,000 in Saudi Arabia. Saudi Arabia is the biggest employer of Filipino OCWs, while Kuwait is the fifth largest host country to Filipino expatriates. Iraq ranks 12th in the country's most preferred foreign labor host list. [passage omitted]

Laurel Article Views Crisis

HK1008032790 Manila MANILA BULLETIN in English 10 Aug 90 pp 1, 10

[By Vice President Salvador H. Laurel]

[Text] A wise and appropriate Philippine policy on the Middle East crisis brought about by the Iraqi invasion of Kuwait should rest on two basic considerations: first, our concern for the maintenance of international peace and security based on the principles of international law; and second, the promotion and defense of the national interest.

By expressing our support for the resolution unanimously adopted by the UN Security Council condemning the Iraqi invasion and calling on member states

to apply sanctions against Iraq, we have complied with our moral obligation as member of the United Nations. Should the General Assembly be convoked in special session to consider the emergency, our delegation would surely follow an identical policy. Our signature on the UN Charter as a founding member of the organization would oblige us to support the condemnation of Iraq for committing a crude act of invasion and annexation of one sovereign and independent country by another which can, in no way, be justified or condoned.

In our national interest we should take due account not only of our national interests but our bilateral relations with countries directly involved in the conflict. The former would include the best interest of the thousands of Filipino workers in the region of the Persian Gulf, especially in Saudi Arabia, and the substantial foreign exchange which their dollar remittances contribute to our financial resources. The latter would involve our relations with the Organization of the Islamic Conference (OIC) [ICO] which includes our close neighbors and fellow members in ASEAN, Indonesia, Malaysia, and Brunei, as well as Pakistan, Iran, and the Islamic states of Africa, all the way to Morocco.

Because of the vast and wide-ranging issues that impinge directly or indirectly on our national interests, our concern for the moment should be governed by one imperious necessity, namely, the need to observe and study carefully the problems and events as they arise, and only then, to consider and formulate prudent and effective policies to meet them.

President Aquino has recently issued an off-hand statement to the effect "that the government does not expect any drastic increase in domestic oil prices. In fact; the Iraq-Kuwait war might even push prices down ..."

This is pure guess-work and wrong because it is obvious that the very opposite is happening now. We have to face the reality that the Iraq-Kuwait conflict has already affected the price of oil in a global scale. Consequently, we should take a realistic position as to what is best for our country under the circumstances.

She has also asked the Central Bank to stop accepting the Kuwaiti dinar from returning Filipinos as a medium of business transaction. This will cause undue hardships on the families of our Filipino workers in the Middle East who are depending on these remittances for their subsistence.

The government should seriously study ways and means to minimize such hardships upon our workers who now deserve to be helped because they have been helping the government through their dollar remittances all these years.

In the interest of formulating a common, clear-cut policy on this critical issue, I propose that President Aquino now call a meeting of the National Security Council and the Council of State to adopt a national consensus on the matter. We should set aside the partisan politics at this juncture and join hands in forging a sound and realistic policy.

More Oil Purchases From Iran

HK1108040990 Baguio City Mountain Province Broadcasting Company in English 0330 GMT 11 Aug 90

[Text] Executive Secretary Catalino Macaraig confirmed that Iran will be supplying oil to the Philippines to make up for the shortfall from Iraq and Kuwait. Macaraig would not say, however, how much the Philippines will be paying for the crude oil.

[Begin Macaraig recording in English—in progress] ...contract, you don't discuss the prices because the price is more or less understood. [end recording]

Meantime, President Aquino is expected to send Foreign Affairs Secretary Raul Manglapus to Iran to negotiate for additional oil supply. This was learned from Executive Secretary Catalino Macaraig yesterday during the turnover in Malacanang of 1,000 boxes of relief goods for quake victims donated by Iran.

Macaraig, who is chairman of the state-owned Philippine National Oil Company, told the Iranian officials that he was asked by the president to relay to their government our government's request for an additional 20,000 barrels.

Iraqi Envoy on Reported Killing

HK1308144190 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 13 Aug 90

[From "GMA News" program]

[Text] Iraqi Ambassador 'Ali Mahmud Sumaydah dismissed as propaganda a report that Filipinos had been killed and raped by Iraqi soldiers. Sumaydah explained that the Iraqi military was instructed not to harm the Philippine nationals and to ensure their safety.

[Begin recording in English] [Reporter] There are reports of rape and killing of Filipinos in Kuwait.

[Sumaydah] This is propaganda against Iraq. There is no evidence of that and we ask for evidence to make an investigation.

[Reporter] Sir, will Iraq do something against the Philippines because we supported the UN resolution?

[Sumaydah] No, no, we have good relations and we have no problem. [end recording]

PAL Schedules Evacuation

HK1308022390 Quezon City Radyo ng Bayan in Tagalog 01150 13 Aug 90

[Interview by John Manalili with Enrique Santos, Philippine Air Lines' vice president for corporate communication on evacuation of Filipinos from the Middle East—live; italcized portions in English]

[Excerpt] [Manalili] President Aquino has issued Philippine Air Lines [PAL] a directive to make available its airplanes for the evacuation, if necessary, of Filipinos from

Kuwait and other places in the Middle East. Mr. Santos, you are on the air over Radyo ng Bayan. What action has PAL taken concerning the president's directive?

[Santos] We have a DC-10 airplane which will leave at 2000 tonight for Dhahran via Dubai. This plane will fly straight from Dhahran to Manila and will carry Filipinos who escaped from Kuwait.

[Manalili] What is the plane's capacity, Mr. Santos?

[Santos] *Two hundred seventy four.*

[Manalili] Is there a definite place where the Filipinos will go?

[Santos] Dhahran.

[Manalili] *Would you have any specific number of Filipinos* supposed to be taken from there?

[Santos] None. We will know in Dhahran whether or not the airplane will have a full capacity.

[Manalili] *Well, the latest news is that Iraq has given the go-signal for Filipinos who wanted to leave Kuwait.*

[Santos] You know, John, this is not just for today. We may fly every day to Dhahran.

[Manalili] So, this would be on a regular basis.

[Santos] Until all Filipinos wishing to come home are evacuated.

[Manalili] *Do you have only one plane available for that?*

[Santos] Yes. You know we also have a schedule to maintain. But there are other airlines coming from Dhahran to Manila, like Saudia.

[Manalili] What about Amman, Jordan?

[Santos] We do not have a route to Jordan. The flight can only go tonight because we have to secure an overflight permit.

[Manalili] I think what is happening is that President Husayn announced that Filipinos in Kuwait could only go to Amman, Jordan because they do not want to pass through borders where there are Iraqi troops.

[Santos] If necessary, we can go to Jordan, but the route given to us was Dhahran. However, if we have a permit to enter Jordan, we will t. there, if necessary. [passage omitted]

No 'Hardline Policy' Against Iraq

HK1408111790 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 14 Aug 90

[Report by Jessica Soho from "GMA News" program]

[Text] The Iraqi Embassy, through First Secretary (Luwasaq Al-Ani), announced that the countertrade agreement concluded between Iraq and the Philippines last month remains in force. Under the agreement, Iraq will trade oil for rice, sugar, coconut oil, and manpower from the Philippines. (Al Ani) added that Iraq is prepared to continue supplying oil to the Philippines, but this appears impossible in view of the current situation in the Middle East.

The United States has indicated its determination to block any attempts to ship oil out of Iraq through a massive blockade. In addition, sanctions have been imposed by the United Nations against Iraq.

[Begin recording in English] [(Al Ani)] The Security Council resolution did not mention a blockade. It mentions a sanction and embargo. The blockade is something else. [end recording]

Twenty-three percent of our oil requirements come from Iraq and Kuwait. According to Defense Secretary Fidel Ramos, this is the reason the Philippines cannot adopt the hardline policy initiated by the United States against Iraq. Another consideration is the welfare of the 3,000 Filipino workers [as heard] still stranded in Kuwait. There are also a few thousand Filipino workers in Iraq who cannot leave owing to their work contracts with the Iraqi Government.

Meanwhile, U.S. Senator Richard Lugar is in the country to solicit the Philippines' support against Iraq. However, according to Ramos, this is not possible.

[Begin recording in English] [Ramos] I think he is here to try to generate support for U.S. policy now in the Middle East which is a very hardline policy. But of course, the interests of the Philippines and the United States do not coincide. While the Philippines respects and will adhere to the UN resolution, the Philippines is not promoting the UN resolution. Meaning, it is not taking a hard line. After all, we have to worry first about the safety and welfare of our hundreds of thousands of Filipino overseas workers in the Middle East. [end recording]

He added that Washington should consult Manila in the matter of the use of Clark and Subic bases in the launching of offensive operations against Iraq.

Salonga: Only Senate Can Ratify Bases Pact

HK1008013190 Manila Far East Broadcasting Company in Tagalog 0100 GMT 10 Aug 90

[Text] The Senate will not approve any agreement entered into by the Philippine Government and the United States that will ratify the maintenance of the U.S. military bases in the country. This was announced by Senate President Jovito Salonga.

Salonga said that even if the Constitution stipulates such a provision [as heard], the Senate alone has the power to ratify the treaty. Salonga further added that he believed a treaty maintaining the U.S. bases in the Philippines would not be able to garner the required two-thirds or 16 votes from the senators.

Castro: Aquino Should 'Dissociate' From U.S.

HK1008034790 Manila BUSINESS WORLD in English 10 Aug 90 p 12

[Text] Cuba's Fidel Castro has a message for President Aquino, a Filipino diplomat recently returned from the country's mission there revealed. "I have a message for your President," the diplomat quoted Castro as saying, "Dissociate yourselves from the Americans! Tell her I am watching the bases negotiations very closely."

The Cuban strongman's pique is understandable. After all, he has an "even crummier base agreement than we do," a senior Foreign Affairs official remarked. The first official said that the Guantanamo base lease "is in perpetuity and the Americans pay a pittance...a few thousand dollars...a check for which is transmitted through the Swiss Embassy in Cuba. The Cubans accept the checks but do not cash them."

Cuba is among the last of the diehard Marxist holdouts. Apparently, Mr. Castro has a novel approach for discouraging both the seeking and granting of asylum which has precipitated the wave of democratization in the rest of the East bloc. The official cited the example of the Czech Embassy in Havana, which in "the euphoria of the moment, accepted a number of Cuban asylum-seekers. It turned out that some of them were agents provocateurs. They damaged the Czech Embassy, they intimidated the diplomats and other asylum-seekers."

"When the attention of the Cuban Foreign Ministry was called, the reply was: That's your fault for taking them in!" the official said.

The Philippine Embassy responds to feelers by asylum-seekers by "locking our doors" and dropping hints that "we don't have any food, the diplomat said, noting that the "Peruvian mission has fed and housed an asylum seeker for almost nine years."

General Dismisses 'Bloodless Coup' Threat

HK1008095790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 10 Aug 90

[By Eloi Aquino—italicized portions in English]

[Text] The rebel soldiers' threat to launch a bloodless coup is mere propaganda, and it is impossible for the Armed Forces corps to renounce their responsibilities. This was the reaction by Brigadier General Emiliano Templo, Armed Forces of the Philippines [AFP] deputy chief of staff for civil military operations, to rebel Major Abraham Purugganan's threat to launch a bloodless coup. Purugganan said that ultrarightist rebels have abandoned their plan to launch another coup similar to the December coup, but will instead carry out a coup, with the absence of fighting, which could peacefully bring down from power the present administration through the help of active officials and members of the AFP who will support them. According to Templo, it is difficult to envisage that the 14,000 [as heard] members and officials of the Armed Forces would suddenly abandon their posts and duties and join the rebel soldiers. He said the rebel soldiers are only dreaming if they believe that this kind of scenario would happen:

[Begin Templo recording] They claim that the *young officers, who are as dedicated and as sincere as everyone else in the chain of command, will just abandon their posts.* What I can say is that this is a pure joke. If you say that a *young officer will abandon his post to join or support something that he knows is illegal, this is an affront to their intelligence and to what they have been proud to do to preserve the Constitution and then to save democracy.*

You know, our young officers *are very sincere in everything they are doing. And I don't believe that they will just abandon their cause because elements who would like to destabilize the country tell them so.* I cannot believe our lieutenants, captains, or majors, who I expect are the pillars of the chain of command, will do this. [end recording]

Templo added that the military's active participation in the rescue and relief operations during the recent earthquake manifests their dedication to their role and duties.

30 Suspected NPA Rebels Raid Quezon Office

HK1008100590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 10 Aug 90

[By Benjie de Galicia from Quezon Province]

[Text] Thirty suspected New People's Army men, armed with heavy firearms, entered and raided the office of Philcamco [expansion unknown] in Bordeos town, Quezon Province. This was reported by Captain Jose Esmeraldo, commanding officer of the 236th PC [Philippine Constabulary] Company, to Southern Luzon Command chief Brigadier General Federico Ruiz this morning.

The report stated that the rebels took away 50,000 pesos in cash as payment of so-called progressive tax for the year 1989. A letter left by the rebels and carrying the signatures of Comrade Tony, Comrade Norman, and Comrade Nidal further said that for the year 1990, the office would have to pay 200,000 pesos tax to the New People's Army.

The office has filed charges of extortion against Comrade Armel, Comrade Esmundo, Comrade Gani, and others who raided the office today. The case is presented before the municipal trial courts of Bordeos, Umalig, and Patnanugan, all in the province of Quezon. Warrants of arrest have been issued for the principal suspects. However, the big question is when these suspects will be arrested.

Top NPA Official, Comrade Arrested in Bulacan

HK1008055190 Quezon City Radyo ng Bayan in Tagalog 0530 GMT 10 Aug 90

[By Gisette Olivera from Camp Aguinaldo]

[Text] Authorities arrested a high-ranking official of the Communist Party of the Philippines-New People's Army who is operating in Bulacan and listed under the military's order of battle, along with a comrade. Based on reports reaching the office of Armed Forces Chief General Renato de Villa, the rebel was identified as Christian Salamat y Pacheco alias Comrade Christie, 29 years old, and a resident of barangay Bangal, Meycauayan, Bulacan. He is believed to be the secretary of District Committee 3 of the Bulacan Provincial Party Committee. A cash reward of 70,000 pesos was offered for Salamat's capture as contained in department order A-046 which was issued on 17 May this year.

The other arrested rebel was identified as Samuel Siera alias Comrade Erwin, 20 years old, and a resident of Bulangao, Calumpit, Bulacan. Seized from the two rebels were a .9 calibre MM [as heard] with nine bullets; a fragmentation grenade, personal belongings, and subversive documents. The two are presently under the custody of the Bulacan Constabulary command for tactical interrogation.

Former Rebel Warns About Truce With Communists

HK1108090590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 11 Aug 90

[By Eloi Aquino]

[Text] Former rebel priest Conrado Balweg today warned the Aquino government against negotiating with the Communist Party of the Philippines [CPP], saying that the communists do not recognize the country's democratic institutions as a means to resolve the social, economic and political problems of the country.

According to Balweg, the communists should first renounce armed struggle as the primary means for seizing political power and accept the implementation of democratic means. Balweg said peace talks with the communists are not appropriate because the government forces still do not enjoy a decisive position of strength after 21 years of fighting.

Balweg also believed that internal forces will seek the holding of peace talks once the communist forces have declined. However, he stressed that the government should not negotiate with the communists unless it can do so from a position of strength. He further explained that the government's demand for the New People's Army [NPA] to surrender their arms before peace talks can commence is not enough, as long as the NPA rebels do not demonstrate their sincerity for a democratic solution.

According to Balweg, the leading issue is not weapons but rather, politics. The communist rebels can prove their sincerity if they will renounce the violence they employ to attain their movement's objectives. Balweg cited the experience of the Cordillera People's Liberation Army under his leadership. He said that after he left the ranks of the CPP-NPA, some of his supporters were either killed or abducted.

Balweg also said that if the CPP-NPA refuses to denounce armed struggle, any negotiations with the government will only be a part of their efforts to overthrow the present government. The rebel priest also criticized the National Democratic Front for insisting on leading peace talks.

Thailand

Sitthi on Workers' Evacuation From Kuwait, Oil

BK1408074190 Bangkok Domestic Service in Thai 0530 GMT 14 Aug 90

[Text] This morning, Foreign Minister Air Chief Marshal Sitthi Sawetsila answered questions by reporters about the evacuation of Thai workers from Kuwait, saying some 20 Thai workers had returned to Bangkok earlier today. He added that the evacuation of Thai workers in Jordan is also under consideration. A committee chaired by the prime minister will today discuss preparations for the evacuation. The foreign minister said Thai workers in Kuwait, totaling about 7,000, should return home because there will be few jobs for them at this time. However, evacuation of these workers by plane will be costly. On the average, up to 12 plane trips will be needed, each trip costing 12 million baht. Officials concerned are studying what should be done.

Regarding repercussions of the Iraq-Kuwait dispute, the foreign minister said Thailand has been forced to replace the 22,000 barrels of oil it had been buying from Kuwait. About 4-5 billion baht of trade payments with Iraq are currently outstanding.

Spokesman Says Workers Have Food for 45 Days

BK1108032390 Bangkok THE NATION in English 11 Aug 90 p 5

[Text] Government Spokesman Suwit Yotmani said Thursday that Thai workers in Kuwait have sufficient white rice for their consumption for another 45 days. Suwit said officials of the Thai labour attache [as published] in Kuwait had recommended that for the time being rice and some other necessities need not be sent as yet to Thai workers in the Iraqi-invaded country. He said this in response to Prime Minister Chatchai Chunhawan's expression of concern on Tuesday that Thai workers in Kuwait might not have enough rice to eat.

Suwit also said the Foreign Ministry had already checked with the Thai Embassy in Kuwait to verify a news report that a Thai woman working as a maid had been molested by some Iraqi soldiers in Kuwait. But, Suwit said, the Thai Embassy there did not receive such a report. He

said many foreigners had been allowed to leave Kuwait for Iraq. They entered that country by motor vehicles, he said, adding that Canadian Embassy officials have also left Kuwait for Iraq.

He said a Thai foreman of the Biwater Co of England reported that his employer planned to repatriate British workers to their homes and that about 60 Thai workers of the company could be contacted through the Thai Embassy in Baghdad. Foreign Minister Sitthi Sawetsila said Thursday he would propose to Prime Minister Chatchai Chunhawan that a committee responsible for possible repatriation of Thai workers from Kuwait be set up.

ACM [Air Chief Marshal] Sitthi told reporters he was informed that many countries have been repatriating their workers from Kuwait. The latest report he received was from the Hyundai Co Ltd of Korea which had already moved its workers including Thais from Kuwait to Jordan, Sitthi said.

Coverage of Visit of PRC's Li Peng Continues

Chatchai, Li Peng Discuss SNC

BK1408020790 Bangkok Domestic Service in Thai 0000 GMT 14 Aug 90

[Text] Prime Minister General Chatchai Chunhawan had a cordial two-hour meeting with visiting Chinese Premier Li Peng at the Shangri-la Hotel yesterday. Government Spokesman Suwit Yotmani spoke to reporters after their meeting:

[Begin Suwit recording] To avoid confusion, both sides agreed on how the meeting should be reported to the media. The Chinese side did not want to give an interview, so it was concluded that the Thai side will speak to the media.

First, the Chinese premier just visited Indonesia and Singapore to meet with the leaders of those countries. After a successful visit to those countries, the Chinese premier is visiting Thailand at the invitation of the Thai prime minister to discuss regional issues, particularly Cambodia, and bilateral matters. The visit is termed a working visit. [two preceding words rendered in English]

Second, China and Thailand expressed support for the peace movement agreed upon by the five permanent members of the UN Security Council [UNSC]. China signed two relevant documents at the meeting of those countries. Today, the two leaders discussed the matter in considerable detail. As you probably already know, they discussed the UN ICM [International Control Commission] and establishment of the supreme national council [SNC] in Cambodia with Prince Sihanouk as chairman. The council will be comprised of—the following term is used: representatives of various factions, as directed by the five permanent UNSC members.

Third, both sides hope that peace will be restored in Cambodia as soon as possible and that the SNC is established as soon as possible.

Lastly, it was emphasized that the SNC should be chaired by Prince Sihanouk. There was no mention of the number of factions; the council will involve the various factions as stipulated in the agreement of the five permanent UNSC members.

Those were the discussions on the Cambodian issue. The two leaders also discussed APEC [Asia-Pacific Economic Cooperation]. The Thai prime minister expressed the desire for China to join APEC.

The Thai prime minister noted that the volume of bilateral trade increased 10-fold after reestablishment of diplomatic relations between the two countries.

Finally, the Thai prime minister expressed the desire for greater Thai-Chinese exchanges in all fields, despite the fact that some 1,000 delegations already exchanged visits between the two countries. The two leaders felt that bilateral contacts could increase to further strengthen relations. [end recording]

Chatchai Links SNC With UN

BK1408064090 Bangkok Domestic Service in Thai 0530 GMT 14 Aug 90

[Text] Asked by reporters today about cooperation with China on the settlement of the Cambodian problem, Prime Minister General Chatchai Chunhawan said China supported the idea of establishment of the supreme national council [SNC]. Gen. Chatchai said the following:

[Begin recording] [Chatchai] China and Thailand share identical views on every issue.

[Reporter] What does it mean by every faction? [question as heard]
[Chatchai] It means four factions, chaired by Prince Sihanouk. The issue can be worked out; I don't see why not. Also, the United Nations will oversee the SNC. The same applies to the ICM [International Control Commission], which will be called UN ICM.

[Reporter] Do you think this can be accomplished before the UN General Assembly meeting?
[Chatchai] I think it can be accomplished before the UN meeting. The quicker it can be established the better the chance of the SNC to sit at the United Nations.

[Reporter] What about the Chinese view that the meeting of the four Cambodian factions should take place first?
[Chatchai] I think there will be a so-called pre-meeting.

[Reporter] In Jakarta?
[Chatchai] It depends. I think it will be held in Jakarta, and I asked that it be so because Alatas had arranged it and thus he should be allowed to continue. [end recording]

Ministers Discuss Trade

BK1408093990 Bangkok XING XIAN RIBAO in Chinese 14 Aug 90 p 4

[Text] Chinese Minister of Foreign Economic Relations and Trade Zheng Toubin paid a courtesy call on Commerce Minister Subin Pinkhayan at the Commerce Ministry yesterday afternoon. Both expressed their satisfaction with the current Sino-Thai trade relations and cooperation. Zheng Toubin is here accompanying Chinese Prime Minister Li Peng on a visit to Thailand.

The two ministers hoped that both countries will fulfill the trade targets set under the 1990 protocol on export and import commodities. The Thai side hopes that China will buy about 150,000 to 300,000 tons of rice from Thailand at friendship prices while Thailand wants to import about 300,000 tons of crude oil and some cement from China this year.

Southeast Asia Ties Viewed

BK1308020590 Bangkok THE NATION in English 13 Aug 90 p 8

[Atthawibun Sisuworanan commentary: "China Must Adopt Positive Regional Roles"]

[Text] As China expands its diplomatic relations with countries in Southeast Asia—which used to view the Middle Kingdom as an enemy—its overall attitude to the region and its prospective role here have changed. As a whole, ASEAN nations have also gradually embraced China, despite the repercussions of last year's brutal suppression of pro-democracy demonstrators at Tiananmen Square, and acknowledged China's regional interests. China's increased diplomatic ties in the region signify the end of instinctive suspicion on the part of most ASEAN nations. For the first time in more than two decades, China is showing a new sophistication in its attempts to maintain its security interests throughout Southeast Asia.

Chinese Prime Minister Li Peng's current visit to Southeast Asia is a case in point. Beijing is normalizing its ties with Indochinesia after 23 years of hostility and indifference. Beijing will establish diplomatic ties with Singapore in October and Brunei later on. The other ASEAN countries established ties with China in the mid-1970's. Li did not fail to remind Indonesian leaders during the signing ceremony to mark the resumption of diplomatic ties, that the close cooperation of the two great nations of East Asia was vital to the region's peace and stability. Li's comment was a reminder of the past, specifically the period before massacres of alleged communists in Indonesia following a Chinese-supported communist insurrection in 1965-67, when the Indonesian official media spoke of a "Jakarta-Bejing" political axis.

Analysts here anticipate that the increased Chinese diplomatic presence in Southeast Asia will have a far-reaching impact upon the power configuration in the region. China's diplomatic initiative comes at a time when Japan is eager to take a larger political role in the region and the United States is adopting a more active foreign policy in Southeast Asian issues.

On the economic front, the dynamism of ASEAN countries and prospects in Indochina have turned the region into a magnet for foreign investment. A global trend towards increased economic interdependence has reinforced the region's strategic importance for the major powers. But analysts believe that China's interests in the region are fundamentally contradictory to those of the US and Japan's. While China's diplomacy is more oriented toward security issues, and trying to resist any external pressure for domestic reforms, the United States and Japan are concerned with economic liberalization and their own trade interests.

Some analysts point to a united front between the conservative leaderships in Beijing and Hanoi, along with similar elements in Laos and Cambodia, who are fighting external pressure for political reform by preventing their countries' economies from integrating with the global economic system. The changes that took place in Eastern European last year are unacceptable to these leaders, and they are willing to go to considerable lengths to avoid these developments, as attested to by the Tiananmen massacre and the crackdown on "bourgeois elements" in Vietnam.

There is a general feeling among analysts that as long as Beijing can manage to keep the Cambodian problem "hostage," it will continue to have ASEAN's support in its struggle to defy political pressure and economic sanctions from the West. At the same time, some ASEAN nations are finding that their position on Cambodia is more in line with China's, following the US decision to withdraw recognition to the Cambodian resistance coalition.

During a week-long meeting in Jakarta late last month, ASEAN's foreign ministers were torn between the interests of Washington and Tokyo and those of Beijing over the extent of outside pressure against the warring factions to bring a quick end to the Cambodian war. The Washington-Beijing rift on Cambodia, coupled with strained ties after the Tiananmen massacre, is exacerbating a pre-existent rift within ASEAN over Cambodia.

Indonesia and Singapore have criticized Thailand's Cambodian peace initiatives on several occasions. Senior Thai Foreign Ministry officials have said that Jakarta and Beijing now see eye-to-eye on the Cambodian issue. "It's clear that Indonesia wants to enjoy a honeymoon period for Sino-Indonesian normalization, but Thailand wants the earliest settlement of the Cambodian conflict by applying external pressure, to befit its economic interests in Indochina," said one analyst.

Li Peng's visit to Thailand today will once again highlight the two countries' different approaches. Prime Minister Chatchai Chunhawan is planning to once again

ask China, along with the other major powers, to stop arms assistance to the Cambodian factions, especially the Khmer Rouge.

The analysts warn that since the ASEAN collective mechanism has proved too rigid and too slow in responding to the rapidly changing circumstances in Indochina, there is a dangerous trend that each member country may be compelled to seek its own approach. Until recently, Southeast Asia was a region of relative equilibrium, created by an alliance of ASEAN and Chinese interests to deter Soviet-supported Vietnamese aggression in Cambodia. But the decline of communism and each country's need to improve its economic performance are cracking up this sense of stability.

Without Vietnamese troops in Cambodia, the perception of a military threat in the region has diminished. What is at stake now in the Cambodian war is simply the conflict of interests of the warring factions and their respective sponsors. A Thai government strategist said the rift among ASEAN countries on Cambodia could be easily resolved if there was a realization that ASEAN's priority was to work for the integration of the ASEAN and Indochinese economies. "And the task must be taken up hard and fast," the strategist said, arguing that economic integration between eastern and western Europe would soon make that region more appealing to investors than ASEAN.

The attitude of Asian socialist countries to reform is vital to the question of their cooperation with ASEAN countries in the recently-formed regional economic framework of Asian Pacific Economic Cooperation (APEC). "Without China's participation, APEC will be less attractive to industrialized countries," the strategist said. "And that is why we've got to work hard to win China's cooperation in solving the Cambodian problem as soon as possible."

Paper on Khmer Rouge Aid

BK0708175690 Bangkok SIAM RAT in Thai 7 Aug 90 p 8

[Editorial: "Is It Possible That China Will Not Help the Khmer Rouge?"]

[Text] PRC Premier Li Peng is expected to meet Prime Minister General Chatchai Chunhawan next Monday after completing his visit to Indonesia and Singapore. According to news reports, the Thai prime minister wants to meet the Chinese leader because he wants the Chinese government to halt its assistance for the Khmer Rouge, which is the major group in the Coalition Government of Democratic Kampuchea [CGDK] currently fighting the Vietnamese-backed Phnom Penh government.

Thailand views the Khmer Rouge as the main obstacle for the efforts to reach a political reconciliation among the Khmer factions in Cambodia because the Phnom Penh government refuses to participate in political activities with the Khmer Rouge. The Phnom Penh government charged the Khmer Rouge with being responsible for the genocide of millions of Cambodian people, and it cannot accept this mistake.

We do not think that the Thai leader will be successful in persuading China to halt its arms assistance to the Khmer Rouge because China considers it necessary to use the Khmer Rouge as a tool to pressure Vietnam occasionally as long as relations between China and Vietnam are not normalized. Please do not forget that relations between Vietnam and China have deteriorated because of the unsettled border conflict.

Since there is no hope for this issue, what other issue can the prime minister discuss with the Chinese leader? This should be the issue concerning the CGDK's seat in the upcoming United Nations General Assembly. The CGDK's seat has to be decided by vote at the United Nations General Assembly every year in September. Thailand hopes that China will continue to recognize the CGDK although the United States has hinted that it would withdraw its support this year because it wants to normalize its relations with Vietnam.

There should be no problem with this issue because China will continue to benefit from recognizing the CGDK because at least China can justify its assistance for the Khmer Rouge as a faction of the the CGDK. As a result, no matter what happens, China will continue to support the Khmer Rouge.

End to Arms Supply Urged

BK1308022590 Bangkok THE NATION in English 13 Aug 90 p 8

[Editorial: "Help Stop the War Now"]

[Text] Li Peng's official visit to Thailand in November 1988 was his first overseas tip as premier of the Chinese government. By choosing Thailand, Li Peng clearly showed that he gave a high priority to nurturing Sino-Thai relations. Thailand was very pleased and enthusiastic about his visit. There were talks on seeking Chinese help in developing the infant petrochemical industry, setting up a joint Sino-Thai arms stockpile, and buying more Chinese arms (especially tanks and artillery) at "friendship" prices. And there were pledges from the Chinese premier to help Thailand stand up to the security threat posed by the huge Vietnamese military presence in Cambodia.

Today Premier Li Peng arrives in Bangkok for another visit. But his visit this time seems to be a matter of second thought. The Chinese premier was in Jakarta last week for a historic visit to re-establish Sino-Indonesian diplomatic relations, which were severed in 1967. Then he hopped over to Singapore to discuss opening diplomatic ties with the island city state. Since he was in our

neighbourhood, he was invited by Premier General Chatchai Chunhawan to drop in for a chat and an overnight stay.

Although China's relations with the West have cooled off as a result of the Tiananmen Square massacre and Western sanctions, China's relations with Thailand and other non-communist countries in Southeast Asia have continued to grow. Apart from Sino-Indonesian normalization, China is expected to establish diplomatic ties with Singapore later this year and with Brunei afterwards.

ASEAN as a whole wants China to join the Asian-Pacific Economic Cooperation (APEC) grouping, a new forum to promote free trade and economic cooperation among countries in the Pacific Rim. China is also seen as an indispensable player in any regional security forum to be set up to promote peace and stability in Asia and the Pacific.

Since Premier Li Peng's first visit to Thailand, many things have changed. The Cold War is over. Most, if not all, of the Vietnamese troops in Cambodia have been withdrawn. Vietnam is no longer seen as a direct security threat to Thailand as it was in the late 1970's and early 1980's. The plan to set up a joint Sino-Thai military stockpile has been shelved.

Thailand has turned to India for technical assistance in developing the petrochemical industry in the southern seaboard. Gen Chawalit Yongchaiyut is out of the armed forces and now the Thai military is talking about acquiring Western arms made available by NATO's arms reductions. And more importantly, Cambodia is not a pressing issue for Thailand anymore, especially as the Chatchai administration is embroiled in political infighting with a Cabinet reshuffle looming.

However, one thing has not changed: China's support of the Khmer Rouge. The Chinese premier heard Indonesian presidents calling for an end to Chinese military support to the radical Cambodian communist faction. He is going to hear the same plea from his Thai counterpart.

China has its own agenda in Cambodia. If that is to contain the Vietnamese influence, it cannot count on the Khmer Rouge alone. Premier Li Peng reiterated in Jakarta last week that China didn't want to see the Khmer Rouge return to power. But the unending Chinese arms and supplies are helping the Khmer Rouge advances in the battlefield; and these military gains make the Khmer Rouge leaders intransigent and non-compromising in peace talks.

Too many lives have been lost in the 11-year conflict. The fighting must be stopped as soon as possible. To this end, Thailand joined Japan in arranging the Tokyo meeting of Cambodian leaders last June. But China not only refused to endorse the meeting, it also has tried every possible way to discredit the outcome of those talks.

Thailand has no better alternative except to push the peace process forward toward a ceasefire and hopefully a political settlement that will restore peace over Cambodia. Thailand's position on this bloody conflict is much closer to that of Japan and the United States than China's or Indonesia's.

As one of the Permanent Five, China has made it clear that it intends to ensure meaningful participation by the Khmer Rouge in the Cambodian settlement process—rather than a minimal role envisaged by the United States and other Western powers who feel that the group, because of its genocidal past, must not be given a chance to return to power.

Thailand and China should not let their differences over the Khmer Rouge spoil their otherwise friendly relations. When they meet today, Premier Li Peng will have to convince his Thai counterpart that China still considers Sino-Thai relations the pillar of China's Southeast Asia policy. If this is still the case, and we believe it is, it follows that China should take into consideration Thailand's feelings and concerns after having to live next to a civil war for more than a decade. The least China can do is to help stop the fighting.

China should join the United States and the Soviet Union in imposing an arms embargo on the Cambodian factions so that their leaders will pay more attention to negotiating peace than fighting each other.

Last Former Kuomintang Group To Become Citizens

BK0508022890 Bangkok THE NATION in English 5 Aug 90 p 2

[By Yindi Loetcharoenchok]

[Text] Thailand on Friday began a process to grant citizenship to the last group of ex-Kuomintang (KMT) nationalist Chinese troops living in Chiang Mai's remote mountain villages bordering Burma and Laos. The 507 Chinese, who were registered eight years ago as immigrants, are the last former KMT members to be naturalized in accordance with a 1976 Cabinet agreement.

The Chinese are currently residents of some 12 border villages in Chiang Dao and Fang districts and Chai Prakan sub-district, and have to travel to the Fang district seat where naturalization procedures are being conducted. Thai authorities recently finished naturalizing about 80 former KMT troops living in Chiang Rai province. Chiang Mai government officials said the process, which is free of charge, will continue until August 15 and that some 40-50 immigrants are being naturalized every day including weekends.

The group, which belonged to a division under the leadership of Gen [General] Lee, earlier this year was informed of the naturalization procedures and tested on their knowledge of the Thai language, according to the officials who requested anonymity. The officials said the

immigrants, most of whom are elderly, were tested in conversational skills and asked to write their names in Thai.

After completion of registration and checks on personal documents, local authorities will then submit the list of applicants to Interior Minister Banhan Sinlapa-acha for approval before forwarding the names to HM [His Majesty] the King for his signature, said the officials.

The immigrants will then be called to have their households registered and to undergo the process of obtaining a Thai identification card. The process also requires the immigrants to take an oath of allegiance to Thailand.

The naturalization programme was approved in June 1976 by the Cabinet of former prime minister Gen Kriangsak Chamanan, who was also supreme commander at the time. But the actual process did not start until December 1979 due to technical hitches. The idea was to reward those Chinese who in the early 1970s served Thailand in battles at Chiang Rai's Ban Pha Tang and Phitsanulok's Khao Kho against the members of the Communist Party of Thailand.

Since then three groups of about 3,000 former KMT troops have been naturalized. Families of troops who were killed, injured or maimed during the battles were given priority for naturalization. The current group, which was given immigration status in the early 1980s, is the fourth to undergo naturalization.

The naturalization of ex-KMT troops, however, is separate from the government's annual process of giving citizenship to foreign immigrants. Under the current quota system, about 50 Chinese immigrants qualify for citizenship annually.

A senior Thai official in Bangkok on Friday voiced concern over the naturalization process saying he had heard Hong Kong Chinese were collaborating with a Thai-Chinese gang in Chinatown to pose as former KMT troops currently undergoing naturalization in Chiang Mai. The official said some village chieftains were also colluding with the gang in the immigration fraud. But a senior Thai official in Chiang Mai on Friday doubted such fraud could take place saying local authorities strictly scrutinize applicants and documents. He said checks on fingerprints would also make the fraud impossible.

The process to grant citizenship started on Friday with those immigrants from Fang's Ban Yao, Ban San Makok Wan, Ban Huai Fai and Ban Luang; from Aug 5-6 are the procedure for those from Chiang Dao's Ban Kae Noi, Ban Nong U, Ban Muang Na and Ban Piang Luang; and Aug 7-13 those from Chai Prakan's Ban Mai Nong Bua, Ban Tham Ngop, Ban Sinchai and Ban Pha Daeng. Those who could not come during the specified days would be processed during Aug 14-15.

Changing Soviet Policy on Indochina Viewed

BK0308022590 Bangkok BANGKOK POST in English 3 Aug 90 p 5

[Article by Jacques Bekaert under the rubric "Eye on Indochina" entitled "The New Soviet Policy"]

[Text] Although the Soviet Union is by and large an Asian power, its main concerns and strategic interests were in Europe. But the world is fast changing, and Asia and the Pacific are emerging as a major economic centre. It is also a region where strategic problems are more diversified than in Europe, since there are no clear demarcations between antagonistic blocs—as was Europe before perestroyka and glasnost. This partly explains why it is more difficult to reach a global agreement between the USSR and the United States and their friends in Asia than it was in Europe.

Nevertheless, serious progress in conflict reduction and confidence building has been accomplished in the past few years, as Vladimir I. Ivanov, the head of the Pacific region studies department of the Institute of World Economy and International Relations (IMEMO), told a small group of journalists yesterday afternoon.

There is a "new Soviet Union" whose goals and methods will probably be fundamentally different from those of the "old Soviet Union." As Mr. Ivanov wrote in a recent essay on "The Soviet Union and the Asia Pacific Region in the 1990s," a "new, long-term Asia-Pacific strategy of the USSR is likely to emerge in the 1990s with stronger emphasis on domestic economic and social needs of the whole country and Russia in particular."

Changes in the Soviet policy toward Asia and the Pacific were indicated in two major speeches made by Mikhail Gorbachev in Vladivostok (1985) and Krasnoyarak (1988). Vladimir Ivanov identifies several "critical factors" which will determine future regional politics:

—US-Japan relations in trade and security affairs;
—Dynamics of domestic reform in China, Indochinese states and the USSR;
—Prospects of tension reduction in Korea and unification impact on regional affairs;
—Military dimensions of growing regional importance of Japan, China and South Korea;
—US-USSR dialogue and cooperation across the Pacific;
—USSR-Japan normalisation

Because of territorial problems born out of World War II, relations between Japan and the Soviet Union "may constitute one of the most painful problems both for regional policy of the USSR and the regional climate in general." Improvement in the USSR-US relations and ease of tensions in the region represent a positive factor that affects the atmosphere surrounding the unresolved problems between the USSR and Japan.

As one senior Soviet participant to a recent conference organised in Malaysia by the Institute of Strategic and International Studies remarked, "Japan, while

remaining for the time being in the framework of the bilateral military alliance with the USA, will show a growing determination to occupy dominant economic and political positions in the region. At the same time its military might will be growing." This is obviously a source of some concern for the Soviet Union. But given the fact that the Soviet Union puts more emphasis on economic affairs, and is not considered the "threat" it once was, and given Japan's interests in the development of the Soviet Far East, one could conceive that economic advantages may help solve political problems.

An interesting point made by Mr. Ivanov is that the so-called "new partnership" between the USSR and the US "should not be designed to rule the world but to serve the legitimate national interests and help the democratisation of international order, its stability and deideologisation."

In the long term, this probably means that relations with countries like South Korea, Taiwan, India, Japan, ASEAN and China will be much more important than special links with Vietnam, Laos and Cambodia, which appear more as monuments to the past than bridges to the future. Of course, as Mr. Ivanov noted, "Vietnam has great economic potential." It is also true that "China, the USSR and Vietnam share similar economic problems, including the heavy handed role played by the central government," but there is obviously little interest in Moscow in Hanoi's determined efforts to remain a socialist country.

Since the Soviet Union's thinking is increasingly based on economic realism, the Indochinese nations will have to look elsewhere for assistance. It is not Moscow's intention to "abandon" Vietnam or Cambodia, but, as Mr. Ivanov noted, "domestic considerations in the USSR oblige us to revise our level of involvement in Vietnam." Among the recent positive factors contributing to a relaxation of tensions in the Asia-Pacific region, Mr. Ivanov mentioned the new policy of the United States toward Cambodia, and its decision to talk directly to Vietnam.

In many ways, both Soviet and American experts admit that the Cambodian problem is an obsolete reminder of past tensions and conflicts. While the Western Press keeps referring to "communist" and "non-communist" factions in Cambodia, such language itself is largely outdated. The struggle in Cambodia has less and less to do with ideology, more and more with the realities and the illusions of power. Ideological references still exist, but hardly constitute anyone's true motivation in the conflict.

Cambodia is one field where the improved relations between Washington and Moscow can play a positive, but only limited, role. As Mr. Ivanov wrote in the essay quoted above, "The USSR is firmly convinced that genuine peace and security in Asia and the Pacific can be achieved solely on the basis of establishing normal, stable and good relations among all states of the region, particularly between the "great ones."

It means a new, complex and fascinating game of balancing old and new relations with economic demands. As so many countries in the world have discovered, the greatest threat to national security today is poverty.

Mine-Clearing Dispute Disrupts Repatriation

BK0308013590 Bangkok THE NATION in English 3 Aug 90 p 4

[Article by Prayut Siwayawirot]

[Text] Hat Yai—A stalemate over a joint mine-clearing operation along the Thai-Malaysian border has threatened to disrupt the repatriation of former Communist Party of Malaya (CPM) guerrillas, sources said.

The sources said the mine-clearing operation, which is part of the peace agreement between the CPM and Kuala Lumpur, has failed to get off the ground eight months after the pact was signed last December because of a dispute over the organization of the operation. "Failure to settle the dispute between the two sides on the mine-clearing operation prompted Malaysia to suspend the repatriation programme," a source said.

It is estimated that about 10,000 land mines were planted by CPM guerrillas along the Malaysian side of the common border. Former CPM guerrillas have already helped Thai authorities in removing all the mines they planted in Thai territory shortly after the peace agreement was signed.

The agreement calls for the CPM to dissolve itself and destroy all its weapons, including land mines, before former CPM members can be resettled in Thailand or Malaysia. Under the agreement, Malaysia agreed to take back former CPM guerrillas wishing to return to Malaysia between this June and June 1991, after which none will be accepted. Thai and Malaysian authorities agreed in June that Malaysian officials would be sent to screen prospective returnees in Thailand's southern provinces of Yala, Pattani and Narathiwat, according to the sources.

"But Malaysia refused to begin the screeing process until after the dispute over the joint mine-clearing is settled," a source said.

Former CPM members interviewed by THE NATION yesterday said they feared Malaysia would try to delay the repatriation process so that it could take back as few of them as possible. "We believe in the end no more than 100 of us will be admitted for resettlement in Malaysia," one of the former guerrillas said.

The sources were speaking after a meeting among Thai and Malaysian officials and former CPM members at a Hat Yai hotel yesterday.

Deputy Fourth Army Commander Kitti Rattanachaya was expected to call another meeting for the three parties to try to break the deadlock alter this month.

Cabinet Endorses Principles of 7th National Plan

BK0708020390 Bangkok BANGKOK POST in English 7 Aug 90 pp 17, 26

[Text] The Cabinet yesterday endorsed continuous and stable economic growth, equitable income distribution and improvements in the quality of life, and environmental and natural resource protection as the underlying principles of the Seventh National Plan. The plan covering the period from 1992-96 was proposed by National Economic and Social Development Board [NESDB] Secretary-General Phisit Phakkasem.

Prime Minister Chatchai Chunhawwan said afterwards the plan was meant to assist farmers in overcoming their heavy debts through improvements in the quality of life and income distribution.

Gen [General] Chatchai said the plan had been widely criticised by academics for simply mirroring the Sixth Plan but, in fact, it was new. "It is totally different—a new plan," he said. But we welcome recommendations and criticisms from academics."

Deputy Government Spokesman Likhit Hongladarom said the Cabinet endorsement marked a crucial step in the country's progress towards an international standing.

Dr Phisit said the Cabinet had assigned the NESDB to develop a detailed Seventh Plan including drawing up the framework for developments to be undertaken by the various ministries.

The plan's major development targets include maintaining economic growth at an average 9 percent, increasing per capita income from 32,400 baht last year to 75,000 baht in 1996, holding down inflation to no more than 5.5 percent per annum and average trade deficit to 7 percent of gross domestic product, and achieving a balanced current account by the end of the plan period.

Dr Phisit said the Cabinet agreed to distribute income to poor farm workers, the small-scale self-employed in cities and low-wage earners. He said the plan called for the bridging of the income gap between different regions and occupations. Important ways to achieve the income distribution trargets include land development and property taxes to generate revenue for local areas, and inheritance duties.

The Cabinet agreed to try and reduce the national birth rate to 1.2 percent in 1996.

He said policies to improve the quality of life would stress ways people could adjust their physical and mental abilities to change in the economy, society and technology.

Dr Phisit said trade and production structures needed to be diversified to sustain economic expansion with financial stability. He said fiscal and monetary policies would be managed flexibly and with fewer restrictions while developing the capital market to favour investment.

Policies should be geared towards developing the Thai economy on to an international standing, he said. This includes the creation of a competitive economic atmosphere, and by reducing monopolies and protectionism in the local market.

Finally, Dr Phisit said the plan would organise administrative and management systems for controlling water and air pollution by solid or toxic wastes. It will strictly enforce these regulations to avoid any further deterioration of natural resources.

Editorial Criticizes 'Corruption' in Government

BK0808015190 Bangkok THE NATION in English 8 Aug 90 p 10

[Editorial entitled: "No Problem, No Corruption"]

[Text] In summarily sacking Pakistan's Prime Minister Benazir Bhutto and dissolving the National Assembly on Monday, President Ghulam Ishaq Khan cited "corruption and nepotism" in the government as reasons for his drastic measures. The charges sounded familiar enough. In fact the Thai people heard very similar accusations—and worse—against the Chatchai administration during the no-confidence debate last month. But 220 government MPs [members of Parliament], including the prime minister and all the Cabinet members present, voted to show confidence in the government.

Subsequently, the prime minister claimed that most of the accusations were heresy. He even challenged opposition MPs to produce "receipts" of bribery or other concrete evidence of corruption. He made his position on this issue abundantly clear: no evidence means no corruption or wrongdoing. This must be his famous "no-problem" style of leadership.

It may be easy for the prime minister to say "no problem" when his six-party coalition controls 229 votes in the 357-member House, a 64 per cent majority. He may even increase the size of his majority in the House to nearly 70 per cent by co-opting the Puangchon Chaothai Party of Gen [General] Athit Kamlang-ek, which has 17 MPs. Then the prime minister can surely stay on until the end of his four-year term in mid-1992.

The problem is many people may not be as complacent as the "no problem" prime minister. But what can they do? Not much right now. They can hope to see some improvement in the next general election when more efficient and honest politicians may be elected. But this is wishful thinking when vote-buying is rampant and electoral reforms are not likely to be enacted to cope with the chronic problem.

Thus the power of the people to punish corrupt politicians by voting them out of office is negated. Politicians in power in turn tend to ignore popular will and national interests. Most of them will try to make quick money by peddling influence and taking bribes. They must race against time to raise as much money as possible to invest in buying votes to ensure reelection in the next poll. The absence of real accountability to the voters makes a mockery of the government's repeated claims that Thailand is a "democracy."

Theoretically, the bureaucracy, the military, the judiciary, labour, business and the media, etc., are supposed to check the executive power of the administration. In reality, however, they have not or cannot play this role effectively for different reasons.

The bureaucracy is largely dominated by politicians; most bureaucrats are more interested in protecting their posts by appeasing politicians. The military is in effect an autonomous institution of its own. Politicians—including the prime minister who is concurrently the defence minister—play it safe by leaving the military alone. The military, on the other hand, lacks the legitimacy to criticize the administration since most military leaders themselves don't tolerate criticism.

The judiciary has traditionally maintained a rather low-profile and has never played a visible role in political or social changes. On the other hand, the labour movement has been exerting its influence in recent years, but largely to advance its self interests by demanding higher wages and additional welfare benefits. In state enterprises, labour unions have been effective in blocking the government's privatization policy.

Business, unfortunately, has always tried to identify with politicians in power. Many big businessmen have entered national politics as a means of protecting their interests. Others who didn't would complain about corruption and incompetency of government leaders but seldom do anything about these problems.

Among the press, only newspapers are relatively independent. Radio and television are controlled by either the state or the military. Yet the freedom of newspapers is curtailed by the police and the interior minister's power to close down newspapers at will. Facing this threat of closure, most newspapers naturally refrain from antagonizing the powers-that-be. Consequently, many of the corruption charges against Cabinet members remain unverified—and soon forgotten.

Who, after all, is going to question the prime minister's contention of "no problem?" Where is the proof of corruption? Where is the receipt, the evidence?

Vietnam

Further Talks on Cambodia Desired With U.S.

BK1408122690 Hong Kong AFP in English 1125 GMT 14 Aug 90

[Excerpts] Hanoi, Aug 4 (AFP)—Vietnam wants further talks on Cambodia with the United States before a meeting of five permanent members of the U.N. Security Council in New York at the end of August, a Vietnamese official said Tuesday. "We think it is preferable that the United States and Vietnam meet again, in New York and at the same level, so that we can air views," before the permanent members meet to discuss Cambodia, Deputy Foreign Minister Tran Quang Co said in an interview here. Hanoi is waiting for Washington to respond to this proposal, he added.

The five permanent members of the U.N. Security Council—Britain, China, France, the Soviet Union and the United States—are to hold their sixth round of talks on Cambodia in New York on August 27 and 28.

"We hope these talks will influence a solution to the Cambodian problem and the normalisation of relations" between the United States and Vietnam, Mr. Co said.

The two countries held their first direct talks on Cambodia in New York on August 6. [passage omitted]

"Because of the link Washington has established, these talks are in a way the beginning of relations between the two countries," Mr. Co said.

In the prevailing world political climate, he said, "the circumstances favor a faster rather than a slower pace (towards normalisation), as other Western countries have already scaled the barrier" and resumed ties with Hanoi.

Many American businessmen and politicians have called for an end to the U.S. embargo on trade with Vietnam, which deprives U.S. industries of a potential market of some 64 million people. Europe and Japan also want the embargo lifted, and Southeast Asian countries are expected to follow suit.

Do Muoi Welcomes Normalized Ties With PRC

BK1308161890 Hanoi VNA in English 1446 GMT 13 Aug 90

[Text] Hanoi VNA August 13—"The Vietnamese Government welcomes the August 12 statement of Chinese Premier Li Peng on the normalization of Chinese-Vietamese relations and the settlement of disputes through peaceful negotiations."

This was stated by Chairman of the Council of Ministers Do Muoi in an answer to Vietnam News Agency (VNA)'s interview concerning the Chinese premier's statement during his trip to Singapore to discuss the establishment of diplomatic relations between China and Singapore.

Asked to comment on Premier Li Peng's statement that China hopes to normalize relations with Vietnam and discuss with the latter such problems as the dispute over the Spratly archipelago, Chairman Do Muoi said:

"The Vietnamese Government welcomes the statement on August 12 of Premier Li Peng on the normalization of Sino-Vietnamese relations and the settlement of disputes through peaceful negotiations. These are actually what Vietnam has many times proposed and of which Vietnam has always wished to see early materialisation. Vietnam holds that the normalization of the Sino-Vietnamese relations fully meets the interests of the two peoples and will be an important contribution to consolidating peace and stability in the region. Vietnam holds that the Spratly archipelago question as well as other differences should be resolved through peaceful negotiations."

Australia's Evans Views Ties, Cambodia Issue

BK0808162090 Hanoi VNA in English 1446 GMT 8 Aug 90

[Text] Hanoi VNA August 8—Senator Gareth Evans, Australia's foreign minister, has said he was "very enthusiastic" about the relationship between his country and Vietnam and "very keen for it to develop rapidly."

In an interview granted to Vietnam Weekly's Editor Nguyen Khuyen during his tour of Australia in late June, Senator Evans said:

"I am very confident about the future of the Australia-Vietnam relationship. Australians and Vietnamese get on well personally and have a frank approach to dealing with each other. Each side lets the other know reasonably clearly what they feel about how issues should be resolved, and that's a healthy environment to do business both politically and economically. I think there is a mutual respect—certainly Australians respect very much the Vietnamese people. We have much confidence that this country of 65 million people will be a great country in the Southeast Asian region in the not too distant future providing the path of economic liberalization and hopefully also political reform is maintained. What has to happen is the obvious energy, talent and capacity of the Vietnamese people has to be tapped. The Vietnamese people won the war, and brilliantly. [sentence as received] They haven't yet really won the peace. There's been a long period of adjusting to the realities of effecting peacetime economic development... But the dynamism is there, the potential is there, and I think in particular it's capable of being rapidly tapped and developed by Australia."

The senator said Australia would like to play a major role in the telecommunications infrastructure development, in food processing and a dozen other areas where there are "excellent opportunities."

"I'd just like to say in summary that we are very enthusiastic about the relationship and very keen for it to develop rapidly," he stated.

Asked to speak about Australia's effort in furthering its Cambodia initiative, Senator Evans said progress had been made all this year with a lot of activity by the regional countries and with contributions in terms of Japan's involvement, and with the rapprochement to some extent between Sihanouk and Hun Sen. "Still," the Senator pointed out, "there are difficulties with the Khmer Rouge as we all know, and still the hope that China will play a constructive role in encouraging the Khmer Rouge to come to the table."

Senator Evans went on:

"I think it's also very important that Vietnam continues to play a constructive role in this respect. And it was a little disappointing that no more progress was made at the recent round of Sino-Vietnamese talks. I've had mixed accounts of those talks and I'm looking forward to some fuller analysis of them, hopefully from the Vietnamese side. But it does seem there was more a restatement of positions rather than a significant move forward. I must also say that I think it's very important that the essential elements of the Australian proposal do stay on the table."

The Senator said it was encouraging that progress had been made on the establishment of a supreme national council constructed on a six by six basis rather than the old argument about quadripartite versus tripartite. Still he called for "a little more creative thinking, a little more willingness to compromise from all sides in that respect."

"I don't exaggerate the difficulties but it's very important that we maintain the momentum that has been achieved. This is a very, very easy situation to lapse back into a impasse or stalemate," he said.

Senator Evans urged for greater international cooperation to help reach a "sensible compromise solution" and to overcome the "final layers of suspicion that always exist." Otherwise, he stressed, "we just stay in one place for a lot longer, and that is not a happy situation. Because the civil war will continue, people will continue to die and Cambodia will continue to be a tragic country. None of us want to see that."

Nguyen Co Thach Meets Soviet Party Lecturers

BK1008154290 Hanoi VNA in English 1451 GMT 10 Aug 90

[Text] Hanoi VNA August 10—A group of lecturers of the Communist Party of the Soviet Union Central Committee led by E.B. Glazunov, department head of the CPSU Central Committee's Commission for External Relations, visited Vietnam from August 6-9.

During this visit, the group reported on the 28th Congress of the CPSU in Hanoi and Haiphong port city.

The Soviet lecturers were received by Nguyen Co Thach, Politburo member of the Communist Party of Vietnam Central Committee.

Aerial Atmosphere Survey Planned With USSR

BK1408101790 Hanoi VNA in English 0701 GMT 14 Aug 90

[Text] Hanoi VNA August 14—The fifth joint survey of the tropical atmosphere is planned to be carried out from August 15 to October 31, 1990 by a Soviet-made laboratory aircraft Il-18 of the "Siklon" category in the airspace above the territorial waters and exclusive economic zone of Vietnam in the East Sea, says an announcement made by the General Department of Meteorology and Hydrology here recently.

Programme on each flight will be informed in advance by Vietnam's civil aviation service.

Thai Paper Reports on High-Grade Rice Trade

BK0708013790 Bangkok THE NATION in English 7 Aug 90 p 28

[By Aphisak Thanasetthakon]

[Text] Vietnam is reportedly ready to embark on a foray to capture the upper-end of the international rice market after snaring a significant share of the market for low-grade rice exports from Thailand earlier this year.

Food Co owned by Nguyen Thi Thi, wife of the late president Ho Chi Minh, has reportedly been granted soft loans worth in excess of US$200 million from French and Japanese rice brokers to finance the establishment of what will be one of Vietnam's largest rice mills.

Wichai Siprasoet, president of Rice Land International Co, a major exporter of prime-grade parboiled rice, told THE NATION that Vietnam is increasing its production of high- and medium-quality rice to compete against Thailand. In the first half of the year, it shipped over 200,000 tonnnes of better-grade rice, compared with only 1,000 tonnes exported last year. Of the total exports this year, 30,000 tones accounted for top-grade grain and an additional 19,000 tonnes was medium-quality.

Food Co has procured Satake rice milling machines from Japan and set up a big rice mill capable of processing 400-600 tonnes a day. The machines are rarely used in Thailand, except in Lopburi. A subsidiary of the agro-business giant Charoen Phokphan Group is currently the local agent for the machines.

The establishment of modern rice million facilities is expected to help Vietnam improve the quality of its rice exports. The attempt to expand its market share follows the country's abundant surplus of rice last year.

After luring away many of Thailand's regular customers by offering cheap, low-quality rice, Vietnam is on the move again to snare an even larger market share of the market for higher-grade grain, Wichai said. In the first six months of the year, Vietnam exported 118,000 tonnes to America, 18,000 tonnes to Eastern Europe and 90,000 tonnes to Iran, which has been a major importer of Thailand's prime grade rice.

Wichai, who recenlty accompanied Commerce Minister Subin Pinkhayan on a high-level trade mission to Hanoi, said that Food Co of Nguyen Thi Thi employs 2,500 marketing staff, 2,000 factory workers and 500 warehouse staff. Its sales last year totalled $200 million, of which rice and farm exports accounted for $80 million. This year, the firm has set a sales target of $250 million, nearly half of which is expected to come from exports of rice and other farm commodities like cocoa, corn and bean.

Food Co's rice export volume is second only to Vina Food Co, a state enterprise handling the export of farm produce, totalling 230,00 tonnes. Aside from her export business, Nguyen Thi Thi, now 70, is also a major supplier of gas, petroleum and machinery for small enterprises and joint ventures in the southern region of Vietnam.

Wichai attributed the Vietnamese success in expanding foreign rice markets to its government's policy shift from the centrally-controlled to the market-led economy, allowing farmers to retain farm excesses and set up small businesses. The central planning hindered efficient distribution of farm input such as fertilizer, tools and seeds to over 45 million rai [one rai equals about half an acre] of arable land around the country.

Following the policy shift in 1982, the government permitted land transfers but still banned property sales, boosting farmers' enthusiasm to increase productivity.

According to Wichai, Vietnam exported 1.67 milion tones of rice in 1989, of which 1,000 tonnes was prime quality rice. About 13,000 tonnes was medium grade but the bulk, 1.36 million tones, was low-quality.

"...n compared with this year's exports, substantial increases for every category have already been recorded. In the first six months of this year, 30,000 tones of top-quality rice was shipped overseas and an additional 191,000 tonnes of medium quality grain was sold and exports of low-grade rice almost doubled to 645,000 tonnes. Moreover, it was able to export 450,000 tonnes of broken rice.

The record high of Vietnam's rice exports have worked to reduce inflation from 600-700 per cent to 60-70 per cent," Wichai said.

The major Vietnamese rice exporters include Vina Food Co, under the Agriculture Ministry, which last year exported 490,000 tonnes, Food Co and Jimex Import-Export Co, another state enterprise, which was able to sell 155,000 tonnes of rice. Imex, a state enterprise, exported 62,000 tonnes, while a rice exporter in Long An

province sold an additional 83,000 tonnes and a trader in Dong Thep exported 68,000 tonnes during the same period last year.

However, delivery problems stemming from poor infrastructure forced the central government to pressure provincial traders to sell rice to state firms instead of shipping the crop to foreign buyers directly. The rice deal with the Philippines was cited as an example. Following state firms' failure to deliver 600,000 tonnes of low-quality rice they had concluded with the Philippines, the central government had sought cooperation from provincial traders to supply rice to these companies.

Most individual exporters did not heed the government's call on the grounds that they were also in urgent need of foreign currencies which would be used to improve farming practices in their provinces. The rice deal with the Philippines was handled through Comexindo, an Indonesian rice broker with strong financial backing. The delivery delay forced Manila to seek an alternative supply source in Thailand and resulted in a government-to-government rice deal accounting to 400,000 tonnes. The contract was sealed when Deputy Prime Minister Phong Sarasin led a Thai delegation to Manila last month.

Vietnam's rice fields span 45 million rai with three major rice bowls—the Red River delta in the north, the Mekong River Delta in the south and the coastal basin. In the south, agricultural land amount to 25 million rai, of which 15 million rai is covered with rice and paddy production totals about 20-21 million tonnes to serve a population of 65 million people.

Thailand, on the other hand, has over 60 million rai of agricultural land to produce rice for 55 million people. But the yield per rai here is much lower than in Vietnam. A rai produces 30 buckles (a buckle is equal to 20 kilogrammes) in Thailand, against 40 buckles in Vietnam. The per tonne production cost is also higher in Thailand.

Wichai said that these factors combine to erode the comparative advantage that Thailand has held over other rice producers. Thailand's rice exports dropped by half this year. On average, Thailand exports 500,000 tonnes a month. This year, exporters are barely managing 300,000 tonnes a month. "Thai farmers have come to the point that they must choose whether to sell large amounts at low prices or sell smaller amounts at higher prices. The government will have to help farmers reduce production costs and develop existing reservoirs at the same time," Wichai suggested.

Proposals to use budget funds to prop up local rice prices are short-lived and inequitable, because the government cannot give money to every farmer, Wichai contended. He called on the government to assist farmers to level and manage their farmland, which he says is a long term solution.

Most buyers of Vietnamese rice are French, according to Wichai, who added that Sucden Co was buying up to 232,000 tones, EPI-Trade Co (226,000 tonnes), Richco (192,000 tonnes) and Recofg (163,000 tonnes). Comexindo from Indonesia also bought 152,000 tonnes.

A domestic rice trading source said Thai companies such as Siam Industrial Co and Hong Ai Seng (Thanaphonchai) and G Premchi also placed orders for Vietnamese rice. Hong Ai Seng bought about 400,000 tonnes while G Premchi acquired 144,000 tonnes.

In the first six months of this year, Vietnam exported a total of 1.66 million tonnes of rice to America (118,000 tonnes), Eastern Europe (18,000 tonnes), the Middle East (90,000 tonnes), Africa (405,000 tonnes), China (150,000 tonnes), India (190,000 tonnes), the Philippines (147,000 tonnes) and Sri Lanka (40,000 tonnes).

Soon Hua Seng was the top rice exporter with sales of 213,881 tonnes, followed by Chaiyaphon Rice (204,257 tonnes), Capital Rice (128,423 tonnes), Riceland International (92,979 tonnes), Thanaphonchai (87,362 tonnes) and Saeng Thong (82,295 tonnes).

Australia

Naval Supply Ship Departs for Persian Gulf

BK1408070890 Melbourne Overseas Service in English 0500 GMT 14 Aug 90

[Text] Soldiers from the 16th Air Defense Regiment in Adelaide are to join the Australian naval supply ship Success now on its way to the Gulf. This follows the decision by the defense minister, Robert Ray, in consultation with the chief of defense. The eight soldiers will be equipped with shoulder-fired air defense missiles.

The government says the move is aimed at enhancing the air defense capability of the Success, which was given a rousing send-off from Sydney's Garden Island dockyard today. The soldiers are to join the Success when it reaches Perth next week.

Two Australian Navy frigates the Darwin and the Adelaide were farewelled from Sydney yesterday by the prime minister, Mr. Hawke, who last week announced the deployment of the three ships.

Ambassador in Iraq Says Situation 'Volatile'

BK1408064590 Melbourne Overseas Service in English 0500 GMT 14 Aug 90

[Text] Australian ambassador in Baghdad has warned Australians trapped in Kuwait and Iraq to be extremely careful. Mr. Peter Lloyd says he has been given some assurances that the safety of Australian nationals will be respected by the Iraqis but warned that the situation is volatile.

Mr. Lloyd says it is very difficult to obtain exit permits for Australians to leave Iraqi territory. He says it is very important that Australian citizens do not do anything to provoke any reaction as Iraq is on a semi-war footing.

In Cairo, Radio Australia's Greg Wilsmith reports that four representatives of the Australian Wheat Board are still being refused permission to leave Iraq. The Wheat Board engineers who had spent three months working at the Port of Al-Basrah on the Gulf tried to leave Iraq late last week but were turned back from the border because they did not have exit permits. The Australian embassy in Baghdad has approached the Iraqi government to allow the Wheat Board representatives to leave, but permission has not been given.

Fiji

Official Takes Legal Action Over News Reports

BK1308071290 Melbourne Overseas Service in English 0500 GMT 13 Aug 90

[Text] Fiji's interim prime minister, Ratu Sir Kamisese Mara, has taken legal action over newspaper reports that he sought to have two opposition officials barred from the recently concluded South Pacific Forum meeting in Vanuatu. The writ, filed in the High Court in Suva, says the report in Fiji's two daily newspapers, the FIJI TIMES and THE DAILY POST had greatly injured Ratu Mara's credibility and reputation. Ratu Mara is seeking unspecified damages.

The newspapers are said to have quoted the two coalition officials as saying that Ratu Mara had written to the Vanuatu government seeking their exclusion from the forum meeting. Since then Radio Fiji says Vanuatu officials have written to their Fijian counterparts saying the decision to bar the two opposition representatives was unprompted.

Papua New Guinea

Indonesia 'Intrusion' From Irian Jaya Protested

BK1408094390 Melbourne Overseas Service in English 0500 GMT 14 Aug 90

[Text] Papua New Guinea has protested to Indonesia on making another military intrusion across the Irian Jayan border. Radio Australia's Port Moresby correspondent, Sean Dorney, reports that Indonesia's ambassador to Papua New Guinea, Major General Mulia Panjaitan, was summoned to the Foreign Ministry in Port Moresby this morning and handed the diplomatic protest.

Papua New Guinea Foreign Minister, Sir Michael Somare, says about 30 Indonesian troops were first sighted at (Okbago) deep in the mountains of (Infuria) of Papua New Guinea's West Sepik or Sundown Province on Friday [10 August]. It said they were about 1.5 kms inside Papua New Guinea territory.

Sir Michael claims an Indonesian military helicopter crossed over the border yesterday and resupplied them. Our correspondent says the Indonesian troops are forced to be pursuing [as heard] rebels from the Free West Papua Movement, the OPM.

Solomon Islands

Negotiations for Controversial Loan To Continue

BK1108080390 Melbourne Overseas Service in English 0500 GMT 11 Aug 90

[Text] The Solomon Islands Government is to continue with negotiations for a controversial U.S. $250 million loan which previously led to a motion of no-confidence in the prime minister, Mr. Solomon Mamaloni. The motion, which was defeated, accused the prime minister of not following the country's financial rule by trying to secure the loan from a source alleged to be connected with the Vatican.

A government source in Honiara has told a Radio Australia correspondent that an official government delegation is expected to leave soon for overseas to continue negotiations for the loan. The source did not confirm if the government was still going back on the same loan source, but it has indicated that all financial transactions will comply with the country's regulations.